SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE TO

TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR 13(e)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934

DEVX ENERGY, INC.
(Name of Subject Company)

COMSTOCK ACQUISITION INC.
COMSTOCK HOLDINGS, INC.
COMSTOCK RESOURCES, INC.
(Names of Filing Persons (Offeror))

COMMON STOCK, PAR VALUE $0.234 PER SHARE
(Title of Class of Securities)

25189P203
(CUSIP Number of Class of Securities)

M. JAY ALLISON
COMSTOCK RESOURCES, INC.
5300 TOWN AND COUNTRY BLVD., SUITE 500
FRISCO, TEXAS 75034
(972) 668-8800
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications on Behalf of Filing Persons)

COPY TO:
JACK E. JACOBSEN
LOCKE LIDDELL & SAPP LLP
2200 ROSS AVENUE, SUITE 2200
DALLAS, TEXAS 75201
(214) 740-8000

CALCULATION OF FILING FEE

TRANSACTION VALUE*	AMOUNT OF FILING FEE**
$92,903,976	$18,581

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* Estimated for purposes of calculating the amount of the filing fee only. Calculated by adding (i) 12,649,522, the number of shares of common stock outstanding as of November 12, 2001, multiplied by the $7.32 per share tender offer price, (ii) an estimated 522,500 shares of common stock subject to options with an exercise price of less than $7.32 per share, multiplied by $7.32 less $6.89, the average exercise price of such options, and (iii) 265,000 shares of common stock subject to warrants multiplied by $7.32 less $7.00, the exercise price of such warrants.

** Calculated as 1/50 of 1% of the transaction value.

[ ] Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid:
---------- Filing Party:

Form or Registration No.:
---------- Date Filed:

[ ] Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes to designate any transactions to which the statement relates:

[X] third-party tender offer subject to Rule 14d-1.

[ ] issuer tender offer subject to Rule 13e-4.

[ ] going-private transaction subject to Rule 13e-3.

[ ] amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer: [ ]

This Tender Offer Statement on Schedule TO (this "Schedule TO") is filed by Comstock Acquisition Inc., a Delaware corporation ("Purchaser") and a wholly owned subsidiary of Comstock Holdings, Inc., a Delaware corporation ("Holdings"), which, in turn, is a wholly owned subsidiary of Comstock Resources, Inc., a Nevada corporation ("Comstock"). This Schedule TO relates to the offer by Purchaser to purchase all outstanding shares of common stock, par value $0.234 per share (the "Shares"), of DevX Energy, Inc., a Delaware corporation ("DevX"), at a purchase price of $7.32 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase dated November 15, 2001 (the "Offer to Purchase") and in the related Letter of Transmittal, copies of which are attached hereto as Exhibits (a)(1) and (a)(2) (which, together with any amendments or supplements thereto, collectively constitute the "Offer"). The information set forth in the Offer to Purchase and the related Letter of Transmittal is incorporated herein by reference with respect to Items 1-9 and 11 of this Schedule TO. The Agreement and Plan of Merger dated as of November 12, 2001 among Comstock, Holdings, Purchaser and DevX, a copy of which is attached as Exhibit (d)(1) hereto, and the Confidentiality Agreement dated January 16, 2001 between Comstock and DevX, a copy of which is attached as Exhibit (d)(2) hereto, are incorporated herein by reference with respect to Items 5 and 11 of this Schedule TO.

ITEM 10. FINANCIAL STATEMENTS OF CERTAIN BIDDERS.

Not applicable.

ITEM 12. MATERIAL TO BE FILED AS EXHIBITS.

(a)(1) Offer to Purchase dated November 15, 2001.
(a)(2) Form of Letter of Transmittal.
(a)(3) Form of Notice of Guaranteed Delivery.
(a)(4) Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
(a)(5) Form of Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Nominees.
(a)(6) Form of Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.
(a)(7) Summary Advertisement as published in The Wall Street Journal on November 15, 2001.
(a)(8) Press Release issued by Comstock on November 13, 2001.
(a)(9) Press Release issued by Comstock on October 22, 2001 (incorporated herein by reference to Exhibit 99.1 to Comstock's Preliminary Communication on Schedule TO filed on October 22, 2001).
(b)(1) Commitment Letter dated November 14, 2001 between Comstock and TD Securities (USA), Inc.
(b)(2) Commitment Letter dated November 14, 2001 between Holdings and Friedman, Billings, Ramsey & Co., Inc., as an Arranger and Bookrunner.
(b)(3) Commitment Letter dated November 14, 2001 between Comstock and TD Securities (USA), Inc.
(d)(1) Agreement and Plan of Merger dated as of November 12, 2001 among Comstock, Holdings, Purchaser and DevX.
(d)(2) Confidentiality Agreement dated January 16, 2001 between Comstock and DevX.
(g) None.
(h) None.

ITEM 13. INFORMATION REQUIRED BY SCHEDULE 13E-3.

Not applicable.

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

COMSTOCK ACQUISITION INC.

By: /s/ M. JAY ALLISON

M. Jay Allison
President

COMSTOCK HOLDINGS, INC.

By: /s/ M. JAY ALLISON

M. Jay Allison
President

COMSTOCK RESOURCES, INC.

By: /s/ M. JAY ALLISON

M. Jay Allison
Chairman, President and Chief Executive Officer

Dated: November 14, 2001

EXHIBIT INDEX

EXHIBIT NO.	
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Friedman, Billings, Ramsey & Co., Inc., as an Arranger and Bookrunner. (b) (3) Commitment Letter dated November 14, 2001 between Comstock and TD Securities (USA), Inc. (d) (1) Agreement and Plan of Merger dated as of November 12, 2001 among Comstock, Holdings, Purchaser and DevX. (d)(2) Confidentiality Agreement dated January 16, 2001 between Comstock and DevX. (g) None. (h) None.

EXHIBIT (a)(1)

OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES OF COMMON STOCK

OF

DEVX ENERGY, INC.

AT

$7.32 NET PER SHARE

BY

COMSTOCK ACQUISITION INC.,
AN INDIRECT WHOLLY OWNED SUBSIDIARY OF

COMSTOCK RESOURCES, INC.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT,
NEW YORK CITY TIME, ON THURSDAY, DECEMBER 13, 2001,
UNLESS THE OFFER IS EXTENDED.

The Offer is being made pursuant to the terms of an Agreement and Plan of Merger dated as of November 12, 2001 among Comstock Resources, Inc., Comstock Holdings, Inc., Comstock Acquisition Inc. and DevX Energy, Inc. The Offer is conditioned upon a number of matters contained in this Offer to Purchase, which include there having been validly tendered and not withdrawn prior to the expiration of the Offer at least 50% of the number of then outstanding DevX shares (including all DevX shares issuable upon the exercise of then outstanding options or warrants) plus one DevX share. See "Section 1. Terms of the Offer; Expiration Date" and "Section 14. Certain Conditions of the Offer," which set forth in full the conditions to the Offer.

The Board of Directors of DevX has determined that the Agreement and Plan of Merger and the transactions contemplated thereby, including the Offer and the merger, are fair to, and in the best interest of, the holders of common stock of DevX, has approved, adopted and declared advisable the Agreement and Plan of Merger and the transactions contemplated thereby, including the Offer and the merger, and has resolved to recommend that the holders of those shares accept the Offer and tender their shares pursuant to the Offer.

IMPORTANT

Any stockholder desiring to tender all or any portion of such stockholder's DevX shares should do any of the following:

- complete and sign the accompanying Letter of Transmittal in accordance with the instructions in the Letter of Transmittal and mail or deliver it, together with the certificate(s) evidencing tendered shares, and any other required documents, to American Stock Transfer & Trust Company, the Depositary for the Offer;

- tender your shares pursuant to the procedure for book-entry transfer described in "Section 3. Procedures for Accepting the Offer and Tendering Shares"; or

- request such stockholder's broker, dealer, commercial bank, trust company or other nominee to effect the transaction for such stockholder. Any stockholder whose DevX shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such broker, dealer, commercial bank, trust company or other nominee if such stockholder desires to tender such shares.

A stockholder who desires to tender shares of DevX common stock and whose certificates evidencing such shares are not immediately available, or who cannot comply with the procedure for book-entry transfer on a timely basis, may tender such shares by following the procedure for guaranteed delivery set forth in "Section 3. Procedures for Accepting the Offer and Tendering Shares."

Questions or requests for assistance may be directed to the Information Agent at its address and telephone number set forth on the back cover of this Offer to Purchase. Additional copies of this Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery may also be obtained from the Information Agent or from brokers, dealers, commercial banks or trust companies.

November 15, 2001

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SUMMARY TERM SHEET

This summary term sheet highlights selected information from this Offer to Purchase, and may not contain all of the information that is important to you. To better understand our Offer to you and for a complete description of the legal terms of the Offer, you should read this entire Offer to Purchase and the accompanying Letter of Transmittal carefully. Questions or requests for assistance may be directed to the Information Agent at its address and telephone number on the last page of this Offer to Purchase.

WHO IS OFFERING TO BUY MY SECURITIES?

- We are Comstock Acquisition Inc., a newly formed Delaware corporation and a wholly owned subsidiary of Comstock Holdings, Inc., a Delaware corporation, which, in turn, is a wholly owned subsidiary of Comstock Resources, Inc., a Nevada corporation. We were organized in connection with this Offer and have not carried on any activities other than in connection with this Offer. See "Section 8. Certain Information Concerning Comstock, Holdings and Purchaser."

- Comstock Resources, Inc. is an independent energy company engaged in the acquisition, development, production and exploration of oil and natural gas properties. See "Section 8. Certain Information Concerning Comstock, Holdings and Purchaser."

WHAT ARE THE CLASSES AND AMOUNTS OF SECURITIES SOUGHT IN THE OFFER?

- We are seeking to purchase all of the issued and outstanding shares of common stock, par value $0.234 per share, of DevX Energy, Inc. See "Introduction" and "Section 1. Terms of the Offer; Expiration Date."

- The Offer is not being made for (nor will tenders be accepted of) any of DevX's 12 1/2% senior notes due 2008. See "Introduction" and "Section 11. Purpose of the Offer, Plans for DevX After the Offer and the Merger; Effect on Senior Notes."

HOW MUCH ARE YOU OFFERING TO PAY AND WHAT IS THE FORM OF PAYMENT?

- We are offering to pay $7.32 per share of common stock of DevX, net to the seller in cash (subject to applicable withholding taxes) and without interest thereon. See "Introduction," "Section 1. Terms of the Offer; Expiration Date" and "Section 5. Certain Federal Income Tax Consequences."

- If you tender your DevX shares in the Offer, you will not be obligated to pay brokerage fees or commissions or, except as otherwise provided in Instruction 6 of the Letter of Transmittal, stock transfer taxes with respect to the sale of your shares pursuant to the Offer. See "Introduction."

WHAT ARE THE MOST SIGNIFICANT CONDITIONS OF THE OFFER?

- We are not obligated to purchase any DevX shares unless there have been validly tendered and not withdrawn prior to the expiration of the Offer at least 50% of the number of then outstanding DevX shares (including all DevX shares issuable upon the exercise of options or warrants outstanding on December 12, 2001) plus one DevX share. See "Section 1. Terms of the Offer; Expiration Date" and "Section 14. Certain Conditions of the Offer."

- This and other conditions to our obligation to purchase DevX shares tendered in the Offer are described in greater detail in "Section 1. Terms of the Offer; Expiration Date" and "Section 14. Certain Conditions of the Offer."

DO YOU HAVE THE FINANCIAL RESOURCES TO MAKE THE OFFERED PAYMENT?

- Yes. Comstock Holdings, Inc. will finance approximately $57.0 million of the Offer with borrowings under an acquisition loan. The remaining portion of the Offer will be financed through an investment by Comstock Resources, Inc. in Comstock Holdings, Inc. with borrowings under a new bank credit facility. See "Section 9. Financing of the Offer and the Merger."

- Friedman, Billings, Ramsey & Co., Inc. is an advisor and arranger for the acquisition loan and is also DevX's financial advisor for the Offer and the Merger. Friedman, Billings, Ramsey & Co., Inc. is also providing services to Comstock Resources, Inc. in connection with a potential acquisition from third parties of oil and gas properties in which DevX also owns an interest. The fees payable by Comstock and DevX to Friedman, Billings, Ramsey & Co., Inc. and its affiliate in connection with these matters are described below in "Section 9. Financing of the Offer and the Merger."

IS YOUR FINANCIAL CONDITION RELEVANT TO MY DECISION TO TENDER IN THE OFFER?

- We do not think that our financial condition is relevant to your decision to tender in the Offer because the form of payment consists solely of cash and the Offer is not subject to a financing condition. In addition, no relevant historical information concerning Comstock Acquisition Inc. is available because we have not carried on any activities other than in connection with the Offer.

HOW LONG DO I HAVE TO DECIDE WHETHER TO TENDER IN THE OFFER?

- You will have at least until 12:00 midnight, New York City time, on Thursday, December 13, 2001, to decide whether to tender your DevX shares in the Offer. If you cannot deliver everything that is required in order to make a valid tender by that time, you may be able to use a guaranteed delivery procedure, which is described in "Section 3. Procedures for Accepting the Offer and Tendering Shares."

CAN THE OFFER BE EXTENDED, AND UNDER WHAT CIRCUMSTANCES?

- We may, without the consent of DevX, but subject to the terms of the Merger Agreement and applicable law, extend the period of time during which the Offer remains open. We have agreed in the Agreement and Plan of Merger that we may extend the Offer until not later than January 11, 2002 if less than 50% of the number of then outstanding DevX shares (including all DevX shares issuable upon the exercise of options or warrants outstanding on December 12, 2001) plus one DevX share have been validly tendered and not withdrawn prior to December 13, 2001. See "Section 1. Terms of Offer; Expiration Date."

HOW WILL I BE NOTIFIED IF THE OFFER IS EXTENDED?

- If we decide to extend the Offer, we will inform American Stock Transfer & Trust Company, the Depositary, of that fact, and will issue a press release giving the new expiration date no later than 9:00 a.m., New York City time, on the day after the day on which the Offer was previously scheduled to expire. See "Section 1. Terms of Offer; Expiration Date."

HOW DO I TENDER MY SHARES?

- To tender your DevX shares in the Offer, you must:

  - complete and sign the accompanying Letter of Transmittal in accordance with the instructions in the Letter of Transmittal and mail or deliver it, together with your share certificate(s), and any other required documents, to the Depositary;

  - tender your shares pursuant to the procedure for book-entry transfer described in "Section 3. Procedures for Accepting the Offer and Tendering Shares"; or

  - request your broker, dealer, commercial bank, trust company or other nominee to effect the transaction for you. If your shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, you must contact such broker, dealer, commercial bank, trust company or other nominee if you desire to tender your shares.

- If your share certificates are not immediately available or if you cannot deliver your share certificates and any other required documents to American Stock Transfer & Trust Company prior to the

expiration of the Offer, or you cannot complete the procedure for delivery by book-entry transfer on a timely basis, you may still tender your shares if you comply with the guaranteed delivery procedures described in "Section 3. Procedures for Accepting the Offer and Tendering Shares."

UNTIL WHAT TIME CAN I WITHDRAW PREVIOUSLY TENDERED SHARES?

- You may withdraw previously tendered shares any time prior to the expiration of the Offer. See "Section 4. Withdrawal Rights."

HOW DO I WITHDRAW PREVIOUSLY TENDERED SHARES?

- To withdraw previously tendered shares, you must deliver a written or facsimile notice of withdrawal with the required information to American Stock Transfer & Trust Company while you still have the right to withdraw. If you tendered shares by giving instructions to a broker or bank, you must instruct the broker or bank to arrange for the withdrawal of your shares. See "Section 4. Withdrawal Rights."

WHAT DOES THE BOARD OF DIRECTORS OF DEVX THINK OF THE OFFER?

- The Board of Directors of DevX has determined that the merger agreement and the transactions contemplated thereby, including the Offer and the merger, are fair to, and in the best interest of, the holders of common stock of DevX, has approved, adopted and declared advisable the merger agreement and the transactions contemplated thereby, including the Offer and the merger, and has resolved to recommend that the holders of those shares accept the Offer and tender their shares pursuant to the Offer. See "Introduction."

WILL DEVX CONTINUE AS A PUBLIC COMPANY?

- If the merger occurs, DevX will no longer be publicly owned. Even if the merger does not occur, if we purchase all of the tendered shares, there may be so few remaining stockholders and publicly held shares that the shares will no longer be eligible to be traded through the Nasdaq National Market or other securities market, there may not be a public trading market for the shares and DevX may cease making filings with the Securities and Exchange Commission or otherwise cease being required to comply with Securities and Exchange Commission rules relating to publicly held companies. See "Section 13. Possible Effects of the Offer on the Market for Shares, Nasdaq Listing, Margin Regulations and Exchange Act Registration."

WILL THE OFFER BE FOLLOWED BY A MERGER IF ALL THE SHARES ARE NOT TENDERED?

- If Comstock Acquisition Inc. accepts for payment and pays for at least 50% of the number of then outstanding DevX shares (including all DevX shares issuable upon the exercise of options or warrants outstanding on December 12, 2001) plus one DevX share, Comstock Acquisition Inc. will merge into DevX. If the merger occurs, DevX will become an indirect wholly owned subsidiary of Comstock Resources, Inc., and each issued and outstanding DevX share (other than any shares held in the treasury of DevX, owned by DevX, us or Comstock Resources, Inc., or owned by stockholders seeking appraisal for their shares) will be canceled and converted automatically into the right to receive $7.32 per share, in cash (or any greater amount per share paid pursuant to the Offer), without interest. See "Introduction" and "Section 10. Background of the Offer; the Merger Agreement and Related Agreements."

IF I DECIDE NOT TO TENDER, HOW WILL THE OFFER AFFECT MY SHARES?

- If you decide not to tender your shares in the Offer and the merger occurs, you will receive the same amount of cash per share as if you would have tendered your shares in the Offer, unless you have exercised your appraisal rights under Delaware law. See "Section 11. Purpose of the Offer; Plans for DevX After the Offer and the Merger; Effect on Senior Notes."

- If you decide not to tender your shares in the Offer and the merger does not occur, and we purchase all the tendered shares, there may be so few remaining stockholders and publicly held shares that the shares will no longer be eligible to be traded through the Nasdaq National Market or other securities market, there may not be a public trading market for the shares and DevX may cease making filings with the Securities and Exchange Commission or otherwise cease being required to comply with Securities and Exchange Commission rules relating to publicly held companies. See "Section 13. Possible Effects of the Offer on the Market for Shares, Nasdaq Listing, Margin Regulations and Exchange Act Registration."

- Following the Offer, it is possible that the shares might no longer constitute "margin securities" for purposes of the margin regulations of the Federal Reserve Board, in which event the shares could no longer be used as collateral for loans made by brokers. See "Section 13. Possible Effects of the Offer on the Market of Shares, Nasdaq Listing, Margin Regulations and Exchange Act Registration."

WHAT IS A RECENT MARKET VALUE OF MY SHARES?

- On October 19, 2001, the last full trading day before we announced the signing of the letter of intent relating to the Offer, the closing price per DevX share reported on the Nasdaq National Market was $5.20 per share. On November 12, 2001, the last full trading day before we announced the Offer, the closing price per DevX share reported on the Nasdaq National Market was $6.60 per share. See "Section 7. Certain Information Concerning DevX."

WITH WHOM MAY I SPEAK IF I HAVE QUESTIONS ABOUT THE OFFER?

- You can call Innisfree M&A Incorporated, the Information Agent, at (888) 750-5834. See the back cover of this Offer to Purchase.

To the Holders of Common Stock of DevX Energy, Inc.:

INTRODUCTION

Comstock Acquisition Inc., a Delaware corporation ("Purchaser") and a wholly owned subsidiary of Comstock Holdings, Inc., a Delaware corporation ("Holdings"), which, in turn, is a wholly owned subsidiary of Comstock Resources, Inc., a Nevada corporation ("Comstock"), hereby offers to purchase all the issued and outstanding shares of common stock, par value $0.234 per share ("Shares"), of DevX Energy, Inc., a Delaware corporation ("DevX"), for $7.32 per Share (such amount, or any greater amount per Share paid pursuant to the Offer (as defined below), the "Per Share Amount"), net to the seller in cash, without interest, upon the terms and subject to the conditions described in this Offer to Purchase and in the related Letter of Transmittal (which, together with this Offer to Purchase and any amendments or supplements hereto or thereto, collectively constitute the "Offer"). See "Section 8. Certain Information Concerning Comstock, Holdings and Purchaser" for additional information concerning Comstock, Holdings and Purchaser.

Tendering stockholders will not be obligated to pay brokerage fees or commissions or, except as otherwise provided in Instruction 6 of the Letter of Transmittal, stock transfer taxes with respect to the purchase of Shares by Purchaser pursuant to the Offer. However, any tendering stockholder or other payee who fails to complete and sign the Substitute Form W-9 that is included in the Letter of Transmittal may be subject to a required backup U.S. federal income tax withholding of 30.5% (or, if the Expiration Date (as defined below) occurs after December 31, 2001, 30%) of the gross proceeds payable to such stockholder or other payee pursuant to the Offer. See "Section 5. Certain Federal Income Tax Consequences." Purchaser, Holdings or Comstock will pay all charges and expenses of American Stock Transfer & Trust Company (the "Depositary") and Innisfree M&A Incorporated (the "Information Agent") incurred in connection with the Offer. See "Section 16. Fees and Expenses."

The Board of Directors of DevX (the "Board") has determined that the Merger Agreement (as defined below) and the transactions contemplated thereby, including the Offer and the Merger (as defined below), are fair to, and in the best interest of, the holders of Shares, has approved, adopted and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, and has resolved to recommend that the holders of Shares accept the Offer and tender their Shares pursuant to the Offer. Patrick J. Keeley abstained from voting with respect to these matters.

Friedman, Billings, Ramsey & Co., Inc. ("FBR") has delivered to the Board its written opinion dated November 7, 2001 to the effect that, as of the date of the opinion, based upon and subject to various considerations and assumptions described in such opinion, the terms of the Offer and Merger are fair to the stockholders of DevX from a financial point of view. A copy of the written opinion of FBR is contained in DevX's Solicitation/ Recommendation Statement on Schedule 14D-9 (the "Schedule 14D-9"), which has been filed with the Securities and Exchange Commission (the "Commission") in connection with the Offer and which is being mailed to DevX's stockholders with this Offer to Purchase. DevX's stockholders are urged to read such opinion carefully in its entirety for a description of the assumptions made, matters considered and limitations of the review undertaken by FBR. FBR is also providing services to Comstock in connection with the financing of a portion of the consideration for the Offer and the Merger and a potential acquisition from third parties of oil and gas properties in which DevX also owns an interest. The fees payable by Comstock and DevX to FBR and its affiliates in connection with these matters are described below in "Section 9. Financing of the Offer and the Merger."

The Offer is conditioned upon, among other things, there having been validly tendered and not withdrawn prior to the expiration of the Offer at least 50% of the number of then outstanding Shares (including all Shares issuable upon the exercise of Outstanding Options or Outstanding Warrants (as each such term is defined below), each as of the business day preceding the Initial Expiration Date (as defined below)), plus one Share (the "Minimum Condition"). The Offer is also subject to certain other conditions contained in this Offer to Purchase. See "Section 1. Terms of the Offer; Expiration Date" and "Section 14. Certain Conditions of the Offer," which set forth in full the conditions to the Offer.

The Offer is being made pursuant to an Agreement and Plan of Merger dated as of November 12, 2001 (the "Merger Agreement") among Comstock, Holdings, Purchaser and DevX. The Merger Agreement provides, among other things, that as promptly as practicable after the purchase of Shares pursuant to the Offer and the satisfaction or, if permissible, waiver, of the other conditions described in the Merger Agreement, and in accordance with the relevant provisions of the General Corporation Law of the State of Delaware ("Delaware Law"), Purchaser will be merged into DevX (the "Merger"). As a result of the Merger, DevX, which will continue as the surviving corporation (the "Surviving Corporation"), will become a wholly owned subsidiary of Holdings. At the effective time of the Merger (the "Effective Time"), each Share issued and outstanding immediately prior to the Effective Time (other than Shares held in the treasury of DevX, owned by Purchaser, Holdings, Comstock or DevX or owned by stockholders who have demanded and perfected appraisal rights under Delaware Law) will be canceled and converted automatically into the right to receive the Per Share Amount in cash, without interest (the "Merger Consideration"). Stockholders who demand and fully perfect appraisal rights under Delaware Law will be entitled to receive, in connection with the Merger, cash for the fair value of their Shares as determined pursuant to the procedures prescribed by Delaware Law. See "Section 11. Purpose of the Offer; Plans for DevX After the Offer and the Merger; Effect on Senior Notes." The Merger Agreement is more fully described in "Section 10. Background of the Offer; the Merger Agreement and Related Agreements." Certain federal income tax consequences of the sale of Shares pursuant to the Offer and the Merger are described in "Section 5. Certain Federal Income Tax Consequences."

The Merger Agreement provides that, promptly upon the purchase by Purchaser of 50% of the outstanding Shares plus one Share (including Shares purchased pursuant to the Offer), Purchaser will be entitled to designate up to such number of directors, rounded up to the next whole number, on the Board as will give Purchaser representation on the Board equal to the product of the total number of directors on the Board (giving effect to the directors elected pursuant to the provision described in this paragraph) multiplied by the percentage that the aggregate number of Shares then beneficially owned by Purchaser or any affiliate of Purchaser following such purchase bears to the total number of Shares then outstanding. In the Merger Agreement, DevX has agreed, at such time, to promptly take all actions necessary to cause Purchaser's designees to be elected as directors of DevX, including increasing the size of the Board or securing the resignations of incumbent directors, or both.

The obligation of each party to effect the Merger is subject to the satisfaction or waiver of certain conditions, including the consummation of the Offer, and, if necessary, the approval and adoption of the Merger Agreement and the Merger by the requisite vote of the stockholders of DevX. For a more detailed description of the conditions to the Merger, see "Section 10. Background of the Offer; the Merger Agreement and Related Agreements." Under Delaware Law, the affirmative vote of the holders of a majority of the outstanding Shares is required to approve and adopt the Merger Agreement and the Merger. Consequently, if Purchaser acquires (pursuant to the Offer or otherwise) at least a majority of the outstanding Shares, then Purchaser will have sufficient voting power to approve and adopt the Merger Agreement and the Merger without the vote of any other stockholder. See "Section 10. Background of the Offer; the Merger Agreement and Related Agreements" and "Section 11. Purpose of the Offer; Plans for DevX After the Offer and the Merger; Effect on Senior Notes."

Under Delaware Law, if Purchaser acquires, pursuant to the Offer or otherwise, at least 90% of the then outstanding Shares, Purchaser will be able to approve and adopt the Merger Agreement and the Merger without a vote of the stockholders of DevX. In such event, Comstock, Holdings, Purchaser and DevX have agreed to take, at the request of Purchaser, all necessary and appropriate action to cause the Merger to become effective in accordance with Delaware Law as promptly as reasonably practicable after such acquisition, without a meeting of the stockholders of DevX. If, however, Purchaser does not acquire at least 90% of the then outstanding Shares pursuant to the Offer or otherwise and a vote of the stockholders of DevX is required under Delaware Law, a significantly longer period of time will be required to effect the Merger. See "Section 11. Purpose of the Offer; Plans for DevX After the Offer and the Merger; Effect on Senior Notes."

DevX has advised Purchaser that, as of November 12, 2001, 12,649,522 Shares were issued and outstanding, 522,500 Shares were reserved for issuance pursuant to outstanding stock options or stock

incentive rights, 265,000 Shares were reserved for issuance pursuant to outstanding warrants, 100,000 Shares were held in the treasury of DevX and no Shares were held by any subsidiary of DevX. Assuming that 12,649,522 Shares are outstanding on the scheduled Expiration Date and there are no Outstanding Options or Outstanding Warrants on such date, Purchaser could cause the Merger to become effective in accordance with Delaware Law, pursuant to a vote but without a meeting of DevX's stockholders, if Purchaser owns 6,324,762 Shares on such date.

The Offer is not being made for (nor will tenders be accepted of) any of the holders of the DevX 12 1/2% senior notes due 2008 (the "Senior Notes"). See "Section 11. Purpose of the Offer; Plans for DevX After the Offer and the Merger; Effect on Senior Notes."

Subject to the terms and conditions of the Indenture dated as of July 1, 1998, as amended (the "Indenture"), among DevX (formerly known as Queen Sand Resources, Inc.), DevX's subsidiaries and Harris Trust and Savings Bank, as Trustee, upon the consummation of the Offer, the holders of the Senior Notes will have the right to require DevX to repurchase all or any portion of their Senior Notes at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest to the date of repurchase. See "Section 11. Purpose of the Offer; Plans for DevX After the Offer and the Merger; Effect on Senior Notes."

Purchaser may offer a subsequent offering period in connection with the Offer. If Purchaser elects to provide a subsequent offering period, it will make a public announcement thereof on the next business day after the previously scheduled Expiration Date.

No appraisal rights are available in connection with the Offer. However, stockholders of DevX may have appraisal rights in connection with the Merger regardless of whether the Merger is consummated with or without a vote of DevX's stockholders. See "Section 11. Purpose of the Offer; Plans for DevX After the Offer and the Merger; Effect on Senior Notes."

This Offer to Purchase and the related Letter of Transmittal contain important information that should be read carefully before any decision is made with respect to the Offer.

1. TERMS OF THE OFFER; EXPIRATION DATE.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of such extension or amendment), Purchaser will accept for payment and pay for all Shares validly tendered (and not withdrawn in accordance with the procedures described in "Section 4. Withdrawal Rights") on or prior to the Expiration Date. "Expiration Date" means 12:00 midnight, New York City time, on Thursday, December 13, 2001, unless and until Purchaser (subject to the terms and conditions of the Merger Agreement) will have extended the period during which the Offer is open, in which case Expiration Date will mean the latest time and date at which the Offer, as may be extended by Purchaser, will expire.

The Offer is subject to the conditions described under "Section 14. Certain Conditions of the Offer," including the satisfaction of the Minimum Condition. Subject to the applicable rules and regulations of the Commission and subject to the terms and conditions of the Merger Agreement, Purchaser expressly reserves the right to waive any such condition, in whole or in part, in its sole discretion. Subject to the applicable rules and regulations of the Commission and subject to the terms and conditions of the Merger Agreement, Purchaser also expressly reserves the right to increase the Per Share Amount and to make any other changes in the terms and conditions of the Offer. Purchaser may not, however, without the prior consent of DevX, decrease the Per Share Amount, change the form of consideration payable, reduce the number of Shares to be purchased in the Offer or impose or modify (other than to waive) conditions to the Offer in addition to those set forth in "Section 14. Certain Conditions of the Offer." Subject to the terms of the Offer and the Merger Agreement and the satisfaction or waiver of the Minimum Condition as of the scheduled Expiration Date, which will initially be 20 business days following the commencement of the Offer (the "Initial Expiration Date"), and the other conditions set forth in "Section 14. Certain Conditions of the Offer," Purchaser will

accept for payment and pay for all Shares validly tendered and not withdrawn pursuant to the Offer as soon as practicable after the Expiration Date.

The Merger Agreement provides that Purchaser is entitled to extend the Offer from time to time without the consent of DevX until no later than January 11, 2002 if, at the Initial Expiration Date, the Minimum Condition is not satisfied or until no later than December 31, 2001 if, at the Initial Expiration Date, the Minimum Condition is satisfied but any other condition to the Offer is not satisfied or waived. Purchaser agreed in the Merger Agreement to extend the Offer from time to time until not later than December 31, 2001 if, at the then scheduled Expiration Date, the Minimum Condition has not been satisfied or waived as permitted by the Merger Agreement. The Merger Agreement also provides that any extension of the Offer pursuant to the Merger Agreement will not, without the written consent of DevX, exceed the number of days that Purchaser reasonably believes will be necessary so that the Minimum Condition will be satisfied. Purchaser may also, without the consent of DevX, extend any then scheduled Expiration Date for any period required by applicable rules, regulations, interpretations or positions of the Commission or the staff thereof applicable to the Offer or required by applicable law. The Merger Agreement further provides that, if the Initial Expiration Date occurred, but fewer than 90% of the Shares have been validly tendered and not withdrawn as of the Initial Expiration Date, Purchaser may provide for a subsequent offering period (as contemplated by Rule 14d-11 under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as long as providing for the subsequent offering period does not require the extension of the initial offer period under applicable rules and regulation of the Commission, which subsequent offering period will not exceed 20 business days. In addition, the Per Share Amount may be increased and the Offer may be extended to the extent required by law in connection with such increase, in each case without the consent of DevX. Upon any extension of the Offer, all Shares previously tendered and not withdrawn will remain subject to the Offer and subject to the right of a tendering stockholder to withdraw such stockholder's Shares. See "Section 4. Withdrawal Rights." Under no circumstances will interest be paid on the purchase price for tendered Shares, whether or not the Offer is extended.

On or prior to the dates that Purchaser becomes obligated to accept for payment and pay for Shares pursuant to the Offer, Comstock will provide or cause to be provided to Purchaser the funds necessary to pay for all Shares that Purchaser becomes so obligated to accept for payment and pay for pursuant to the Offer. Notwithstanding the foregoing and subject to the applicable rules of the Commission and the terms and conditions of the Offer, Purchaser also expressly reserves the right (i) to delay payment for Shares in order to comply in whole or in part with applicable laws (any such delay will be effected in compliance with Rule 14e-1(c) under the Exchange Act, which requires Purchaser to pay the consideration offered or to return Shares deposited by or on behalf of stockholders promptly after the termination or withdrawal of the Offer), (ii) to extend or terminate the Offer and not to accept for payment or pay for any Shares not theretofore accepted for payment or paid for, upon the occurrence of any of the conditions to the Offer specified in "Section 14. Certain Conditions of the Offer," and (iii) to amend the Offer or to waive any conditions to the Offer in any respect consistent with the provisions of the Merger Agreement described above, in each case by giving oral or written notice of such delay, termination, waiver or amendment to the Depositary and by making public announcement thereof.

Any such extension, delay, termination, waiver or amendment will be followed as promptly as practicable by public announcement thereof. In the case of an extension, the announcement will be made no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date. Subject to applicable law (including Rules 14d-4(d)(i), 14d-6(c) and 14e-1 under the Exchange Act, which require that material changes be promptly disseminated to stockholders in a manner reasonably designed to inform them of such changes) and without limiting the manner in which Purchaser may choose to make any public announcement, Purchaser will have no obligation to publish, advertise or otherwise communicate any such public announcement other than by issuing a press release to the Dow Jones News Service or the Public Relations Newswire.

If Purchaser makes a material change to the terms of the Offer or the information concerning the Offer, or if Purchaser waives a material condition of the Offer, Purchaser will extend the Offer and disseminate additional tender offer materials to the extent required by Rule 14e-1 under the Exchange Act. Subject to the

terms of the Merger Agreement, if, prior to the Expiration Date, Purchaser should decide to increase the consideration being offered in the Offer, such increase in the consideration being offered will be applicable to all stockholders whose Shares are accepted for payment pursuant to the Offer and, if at the time notice of any such increase in the consideration being offered is first published, sent or given to holders of such Shares, the Offer is scheduled to expire at any time earlier than the period ending on the tenth business day from and including the date that such notice is first so published, sent or given, the Offer will be extended at least until the expiration of such 10-business day period. For purposes of the Offer, a "business day" means any day on which the principal offices of the Commission in Washington, D.C. are open to accept filings, or, in the case of determining a date when any payment is due, any day on which banks are not required or authorized to close in The City of New York, and consists of the period from 12:01 a.m. through 12:00 midnight, New York City time.

Purchaser may offer a subsequent offering period in connection with the Offer. If Purchaser does provide for such subsequent offering period, subject to the applicable rules and regulations of the Commission, Purchaser may elect to extend its offer to purchase Shares beyond the Expiration Date for a subsequent offering period of three business days to 20 business days (the "Subsequent Offering Period"), if, among other things, upon the Expiration Date (i) all of the conditions to Purchaser's obligations to accept for payment, and to pay for, the Shares are satisfied or waived and (ii) Purchaser immediately accepts for payment, and promptly pays for, all Shares validly tendered (and not withdrawn in accordance with the procedures set forth in "Section 4. Withdrawal Rights") prior to the Expiration Date. Shares tendered during the Subsequent Offering Period may not be withdrawn. See "Section 4. Withdrawal Rights." Purchaser will immediately accept for payment, and promptly pay for, all validly tendered Shares as they are received during the Subsequent Offering Period. Any election by the Purchaser to include a Subsequent Offering Period may be effected by Purchaser giving oral or written notice of the Subsequent Offering Period to the Depositary. If Purchaser decides to include a Subsequent Offering Period, it will make an announcement to that effect by issuing a press release to the Dow Jones New Services or the Public Relations Newswire on the next business day after the previously scheduled Expiration Date.

DevX has provided Purchaser with DevX's stockholder list and security position listings for the purpose of disseminating the Offer to the holders of Shares. This Offer to Purchase and the related Letter of Transmittal will be mailed by Purchaser to record holders of Shares whose names appear on DevX's stockholder list and will be furnished, for subsequent transmittal to beneficial owners of Shares, to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listings.

2. ACCEPTANCE FOR PAYMENT AND PAYMENT FOR SHARES.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of the Offer as so extended or amended), Purchaser will accept for payment promptly after the Expiration Date all Shares validly tendered (and not properly withdrawn in accordance with "Section 4. Withdrawal Rights") prior to the Expiration Date. Purchaser will pay for all Shares validly tendered and not withdrawn promptly following the acceptance of Shares for payment pursuant to the Offer. Subject to applicable rules and regulations of the Commission and the terms of the Merger Agreement, Purchaser reserves the right to delay acceptance of or payment for Shares in order to comply in whole or in part with applicable laws. See "Section 1. Terms of the Offer; Expiration Date" and "Section 15. Certain Legal Matters and Regulatory Approvals."

In all cases (including during any Subsequent Offering Period), Purchaser will pay for Shares tendered and accepted for payment pursuant to the Offer only after timely receipt by the Depositary of (i) the certificates evidencing such Shares (the "Share Certificates") or timely confirmation (a "Book-Entry Confirmation") of a book-entry transfer of such Shares into the Depositary's account at The Depository Trust Company (the "Book-Entry Transfer Facility") pursuant to the procedures described in "Section 3. Procedures for Accepting the Offer and Tendering Shares," (ii) the Letter of Transmittal, properly completed and duly executed, with any required signature guarantees, in the case of a book-entry transfer, or an Agent's

Message (as defined below), and (iii) any other documents required under the Letter of Transmittal. The term "Agent's Message" means a message, transmitted by the Book-Entry Transfer Facility to, and received by, the Depositary and forming a part of the Book-Entry Confirmation that states that the Book-Entry Transfer Facility has received an express acknowledgment from the participant in the Book-Entry Transfer Facility tendering the Shares that are the subject of such Book-Entry Confirmation, that the participant has received and agrees to be bound by the Letter of Transmittal and that Purchaser may enforce such agreement against such participant.

For purposes of the Offer (including during any Subsequent Offering Period), Purchaser will be deemed to have accepted for payment (and thereby purchased) Shares validly tendered and not properly withdrawn as, if and when Purchaser gives oral or written notice to the Depositary of Purchaser's acceptance for payment of such Shares pursuant to the Offer. Upon the terms and subject to the conditions of the Offer, payment for Shares purchased pursuant to the Offer will be made by deposit of the purchase price therefor with the Depositary, which will act as agent for tendering stockholders whose Shares have been accepted for payment for the purpose of receiving payments from Purchaser and transmitting such payments to validly tendering stockholders. Under no circumstances will Purchaser pay interest on the purchase price for Shares, regardless of any delay in making such payment.

If Purchaser does not purchase any Shares pursuant to the Offer, or if Share Certificates are submitted evidencing more Shares than are tendered, Share Certificates evidencing unpurchased Shares will be returned, without expense to the tendering stockholder (or, in the case of Shares tendered by book-entry transfer into the Depositary's account at the Book-Entry Transfer Facility pursuant to the procedure described in "Section 3. Procedures for Accepting the Offer and Tendering Shares," such Shares will be credited to an account maintained at such Book-Entry Transfer Facility), as promptly as practicable following the expiration or termination of the Offer.

Purchaser reserves the right to transfer or assign, in whole or from time to time in part, to one or more of its affiliates, the right to purchase all or any portion of the Shares tendered in the Offer, but any such transfer or assignment will not relieve Purchaser of its obligations under the Offer and will in no way prejudice the rights of tendering stockholders to receive payment for Shares validly tendered and accepted for payment pursuant to the Offer.

3. PROCEDURES FOR ACCEPTING THE OFFER AND TENDERING SHARES.

Valid Tender of Securities. In order for a holder of Shares to validly tender Shares pursuant to the Offer, the Depositary must receive the Letter of Transmittal, properly completed and duly executed, together with any required signature guarantees or, in the case of a book-entry transfer, an Agent's Message, and any other documents required by the Letter of Transmittal, at its address set forth on the back cover of this Offer to Purchase. In addition, either (i) the Share Certificates evidencing tendered Shares must be received by the Depositary at such address or such Shares must be tendered pursuant to the procedure for book-entry transfer described below and the Depositary must receive a Book-Entry Confirmation (including an Agent's Message), in each case prior to the Expiration Date or the expiration of the Subsequent Offering Period, if any, or (ii) the tendering stockholder must comply with the guaranteed delivery procedures described below.

The method of delivery of Share Certificates and all other required documents, including delivery through the Book-Entry Transfer Facility, is at the option and risk of the tendering stockholder, and the delivery will be deemed made only when actually received by the Depositary. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

Book-Entry Transfer. The Depositary will establish accounts with respect to Shares at the Book-Entry Transfer Facility for purposes of the Offer within two business days after the date of this Offer to Purchase. Any financial institution that is a participant in the system of the Book-Entry Transfer Facility may make a book-entry delivery of Shares by causing the Book-Entry Transfer Facility to transfer such Shares into the Depositary's account at the Book-Entry Transfer Facility in accordance with the Book-Entry Transfer Facility's procedures for such transfer. However, although delivery of Shares may be effected through book-

entry transfer at the Book-Entry Transfer Facility, an Agent's Message, and any other required documents, must, in any case, be received by the Depositary at its address set forth on the back cover of this Offer to Purchase prior to the Expiration Date or the expiration of the Subsequent Offering Period, if any, or the tendering stockholder must comply with the guaranteed delivery procedure described below. Delivery of documents to the Book-Entry Transfer Facility does not constitute delivery to the Depositary.

Signature Guarantees. Signatures on all Letters of Transmittal must be guaranteed by a firm that is a member of the Security Transfer Agent Medallion Signature Program, or by any other "eligible guarantor institution," as such term is defined in Rule 17Ad-15 under the Exchange Act (each of the foregoing being referred to as an "Eligible Institution"), except in cases where Shares are tendered (i) by a registered holder of Shares who has not completed either the box entitled "Special Payment Instructions" or the box entitled "Special Delivery Instructions" on the Letter of Transmittal or (ii) for the account of an Eligible Institution. If a Share Certificate is registered in the name of a person other than the signer of the Letter of Transmittal, or if payment is to be made, or a Share Certificate not accepted for payment or not tendered is to be returned, to a person other than the registered holder(s), then the Share Certificate must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear on the Share Certificate, with the signature(s) on such Share Certificate or stock powers guaranteed by an Eligible Institution. See Instructions 1 and 5 of the Letter of Transmittal.

Guaranteed Delivery. If a stockholder desires to tender Shares pursuant to the Offer and such stockholder's Share Certificates evidencing such Shares are not immediately available or such stockholder cannot deliver the Share Certificates and all other required documents to the Depositary prior to the Expiration Date, or such stockholder cannot complete the procedure for delivery by book-entry transfer on a timely basis, such Shares may nevertheless be tendered, provided that all the following conditions are satisfied:

(i) such tender is made by or through an Eligible Institution;

(ii) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by Purchaser, is received prior to the Expiration Date by the Depositary as provided below; and

(iii) the Share Certificates (or a Book-Entry Confirmation) evidencing all tendered Shares, in proper form for transfer, in each case together with the Letter of Transmittal (or a facsimile), properly completed and duly executed, with any required signature guarantees or, in the case of a book-entry transfer, an Agent's Message, and any other documents required by the Letter of Transmittal are received by the Depositary within three Nasdaq National Market ("Nasdaq") trading days after the date of execution of such Notice of Guaranteed Delivery.

The Notice of Guaranteed Delivery may be delivered by hand or mail or by facsimile transmission to the Depositary and must include a guarantee by an Eligible Institution in the form set forth in the form of Notice of Guaranteed Delivery made available by Purchaser.

In all cases (including any Subsequent Offering Period), payment for Shares tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of the Share Certificates evidencing such Shares, or a Book-Entry Confirmation of the delivery of such Shares, and the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees or, in the case of a book-entry transfer, an Agent's Message, and any other documents required by the Letter of Transmittal.

Determination of Validity. All questions as to the form of documents and the validity, form, eligibility (including time of receipt) and acceptance for payment of any tender of Shares will be determined by Purchaser, in its sole discretion, which determination will be final and binding on all parties. Purchaser reserves the absolute right to reject any and all tenders determined by it not to be in proper form or the acceptance for payment of which may, in the opinion of its counsel, be unlawful. Purchaser also reserves the absolute right to waive any condition of the Offer to the extent permitted by applicable law and the Merger Agreement or any defect or irregularity in the tender of any Shares of any particular stockholder, whether or not similar defects or irregularities are waived in the case of other stockholders. No tender of Shares will be

deemed to have been validly made until all defects and irregularities have been cured or waived. None of Purchaser, Holdings, Comstock or any of their respective affiliates or assigns, the Depositary, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification. Purchaser's interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and the instructions thereto) will be final and binding.

A tender of Shares pursuant to any of the procedures described above will constitute the tendering stockholder's acceptance of the terms and conditions of the Offer, as well as the tendering stockholder's representation and warranty to Purchaser that (i) such stockholder has the full power and authority to tender, sell, assign and transfer the tendered Shares (and any and all other Shares or other securities issued or issuable in respect of such Shares), and (ii) when the same are accepted for payment by Purchaser, Purchaser will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claims.

The acceptance for payment by Purchaser of Shares pursuant to any of the procedures described above will constitute a binding agreement between the tendering stockholder and Purchaser upon the terms and subject to the conditions of the Offer.

Appointment as Proxy. By executing the Letter of Transmittal, or through delivery of an Agent's Message, as described above, a tendering stockholder irrevocably appoints designees of Purchaser as such stockholder's agents, attorneys-in-fact and proxies, each with full power of substitution, in the manner set forth in the Letter of Transmittal, to the full extent of such stockholder's rights with respect to the Shares tendered by such stockholder and accepted for payment by Purchaser (and with respect to any and all other Shares or other securities issued or issuable in respect of such Shares on or after November 12, 2001). All such powers of attorney and proxies will be considered irrevocable and coupled with an interest in the tendered Shares. Such appointment will be effective when, and only to the extent that, Purchaser accepts such Shares for payment. Upon such acceptance for payment, all prior powers of attorney and proxies given by such stockholder with respect to such Shares (and such other Shares and securities) will be revoked, without further action, and no subsequent powers of attorney or proxies may be given nor any subsequent written consent executed by such stockholder (and, if given or executed, will not be deemed to be effective) with respect thereto. Purchaser designees will, with respect to the Shares for which the appointment is effective, be empowered to exercise all voting and other rights of such stockholder as they in their sole discretion may deem proper at any annual or special meeting of the holders of Shares or any adjournment or postponement, by written consent in lieu of any such meeting or otherwise. Purchaser reserves the right to require that, in order for Shares to be deemed validly tendered, immediately upon Purchaser's payment for such Shares, Purchaser must be able to exercise full voting rights with respect to such Shares (and such other Shares and securities).

Under the "backup withholding" provisions of U.S. federal income tax law, the Depositary may be required to withhold 30.5% (or, if the Expiration Date occurs after December 31, 2001, 30%) of any payments of cash pursuant to the Offer. To prevent backup federal income tax withholding with respect to payment to certain stockholders of the purchase price of Shares purchased pursuant to the Offer, each such stockholder must provide the Depositary with such stockholder's correct taxpayer identification number and certify that such stockholder is not subject to backup federal income tax withholding by completing the Substitute Form W-9 in the Letter of Transmittal. See Instruction 9 of the Letter of Transmittal.

4. WITHDRAWAL RIGHTS.

Tenders of Shares made pursuant to the Offer are irrevocable, except that such Shares may be withdrawn at any time prior to the Expiration Date. If Purchaser extends the Offer, is delayed in its acceptance for payment of Shares or is unable to accept Shares for payment pursuant to the Offer for any reason, then, without prejudice to Purchaser's rights under the Offer, the Depositary may, nevertheless, on Purchaser's behalf, retain tendered Shares, and such Shares may not be withdrawn except to the extent that tendering stockholders are entitled to withdrawal rights as described in this "Section 4. Withdrawal Rights," subject to Rule 14e-1(c) under the Exchange Act. Any such delay will be by an extension of the Offer to the extent

required by law. If Purchaser decides to include a Subsequent Offering Period, Shares tendered during the Subsequent Offering Period may not be withdrawn. See "Section 1. Terms of the Offer; Expiration Date."

For a withdrawal of Shares to be effective, a written or facsimile transmission notice of withdrawal must be timely received by the Depositary at its address set forth on the back cover page of this Offer to Purchase. Any such notice of withdrawal must specify the name of the person who tendered the Shares to be withdrawn, the number of Shares to be withdrawn and the name of the registered holder of such Shares, if different from that of the person who tendered such Shares. If Share Certificates evidencing Shares to be withdrawn have been delivered or otherwise identified to the Depositary, then, prior to the physical release of such Share Certificates, the serial numbers shown on such Share Certificates must be submitted to the Depositary and the signature(s) on the notice of withdrawal must be guaranteed by an Eligible Institution, unless such Shares have been tendered for the account of an Eligible Institution. If Shares have been tendered pursuant to the procedure for book-entry transfer as described in "Section 3. Procedures for Accepting the Offer and Tendering Shares," any notice of withdrawal must specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Shares.

All questions as to the form and validity (including time of receipt) of any notice of withdrawal will be determined by Purchaser, in its sole discretion, which determination will be final and binding. None of Purchaser, Holdings, Comstock or any of their respective affiliates or assigns, the Depositary, the Information Agent or any other person will be under any duty to give any notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give any such notification.

Withdrawals of Shares may not be rescinded. Any Shares properly withdrawn will thereafter be deemed not to have been validly tendered for purposes of the Offer. However, withdrawn Shares may be re-tendered at any time prior to the Expiration Date (or during the Subsequent Offering Period, if any) by following one of the procedures described in "Section 3. Procedures for Accepting the Offer and Tendering Shares."

5. CERTAIN FEDERAL INCOME TAX CONSEQUENCES.

The following is a summary of the principal federal income tax consequences of the Offer and the Merger to holders whose Shares are purchased pursuant to the Offer or whose Shares are converted into the right to receive cash in the Merger (whether upon receipt of the Merger Consideration or pursuant to the proper exercise of dissenter's rights). The discussion applies only to holders of Shares in whose hands Shares are capital assets, and may not apply to Shares received pursuant to the exercise of employee stock options or otherwise as compensation, or to holders of Shares who are not citizens or residents of the United States of America.

The tax discussion set forth below is included for general information purposes only and is based upon present law (which may be subject to change, possibly on a retroactive basis). Because individual circumstances may differ, each holder of Shares should consult such holder's own tax advisor to determine the applicability of the rules discussed to such holder and the particular tax effects of the Offer and the Merger, including the application and effect of state, local and other tax laws.

The receipt of cash pursuant to the Offer and the receipt of cash pursuant to the Merger (whether as Merger Consideration or pursuant to the proper exercise of dissenter's rights) will be a taxable transaction for federal income tax purposes (and also may be a taxable transaction under applicable state, local and other income tax laws). In general, for federal income tax purposes, a holder of Shares will recognize gain or loss equal to the difference between such holder's adjusted tax basis in the Shares sold pursuant to the Offer or converted to cash in the Merger and the amount of cash received. Gain or loss must be determined separately for each block of Shares (i.e., Shares acquired at the same cost in a single transaction) sold pursuant to the Offer or converted to cash in the Merger. Such gain or loss will be capital gain or loss. Individual holders will be subject to tax on the net amount of such gain at a maximum rate of 20% if the Shares were held for more than 12 months. Special rules (and generally lower maximum rates) apply to individuals in lower tax brackets. The deduction of capital losses is subject to certain limitations. Stockholders should consult their own tax advisors in this regard.

Payments in connection with the Offer or the Merger may be subject to backup withholding at a 30.5% (or, if the Expiration Date occurs after December 31, 2001, 30%) rate. Backup withholding generally applies if a stockholder (i) fails to furnish such stockholder's social security number or taxpayer identification number ("TIN"), (ii) furnishes an incorrect TIN, (iii) fails properly to report interest or dividends or (iv) under certain circumstances, fails to provide a certified statement, signed under penalties of perjury, that the TIN provided is such stockholder's correct number and that such stockholder is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax. Certain persons, including corporations and financial institutions generally, are exempt from backup withholding. Certain penalties apply for failure to furnish correct information and for failure to include the reportable payments in income. Each stockholder should consult with such stockholder's own tax advisor as to such stockholder's qualifications for exemption from withholding and the procedure for obtaining such exemption.

6. PRICE RANGE OF SHARES; DIVIDENDS.

The Shares have been listed and principally traded on Nasdaq under the symbol "DVXE" since October 26, 2000. From November 11, 1999 to October 25, 2000, the Shares were quoted on the Nasdaq OTC Bulletin Board under the symbol "QSRI." From May 1997 to November 10, 1999, the Shares were quoted on the Nasdaq Small Cap Market under the symbol "QSRI." The following table sets forth, for the quarters indicated, the high and low sales prices per Share as listed on Nasdaq, as quoted on the Nasdaq OTC Bulletin Board or as reported on Nasdaq Small Cap Market. The prices for periods prior to October 26, 2000 have been adjusted to give effect to the 156-to-1 reverse stock split of the Shares. No dividends have been declared or paid on the Shares during the quarters indicated.

	HIGH	LOW
Fiscal 1999 First Quarter	$643.50	$175.50
Second Quarter	$229.16	$146.17
Third Quarter	$146.33	$ 43.84
Fourth Quarter	$ 92.66	$ 43.84
Fiscal 2000 First Quarter	$ 82.68	$ 43.84
Second Quarter	$ 63.38	$ 14.63
Third Quarter	$ 46.32	$ 7.32
Fourth Quarter	$ 8.38	$ 7.32
Fiscal 2001 First Quarter	$ 8.64	$ 7.00
Second Quarter	$ 9.02	$ 6.55
Third Quarter	$ 7.05	$ 4.50
Fourth Quarter (through November 14, 2001)	$ 7.27	4.91

On October 19, 2001, the last full trading day prior to the announcement of signing of the letter of intent relating to the Offer, the closing price per Share as reported on Nasdaq was $5.20. On November 12, 2001, the last full trading day prior to the announcement of the execution of the Merger Agreement and of Purchaser's intention to commence the Offer, the closing price per Share as reported on Nasdaq was $6.60. On November 14, 2001, the last full trading day prior to the commencement of the Offer, the closing price per Share as reported on Nasdaq was $7.24. As of November 12, 2001, the approximate number of holders of record of Shares was 932.

Stockholders are urged to obtain a current market quotation for the Shares.

7. CERTAIN INFORMATION CONCERNING DEVX.

Except as otherwise described in this Offer to Purchase, all of the information concerning DevX contained in this Offer to Purchase, including financial information, has been furnished by DevX or has been taken from or based upon publicly available information. None of Comstock, Holdings or Purchaser assumes any responsibility for the accuracy or completeness of this information or for any failure by DevX to disclose events that may have occurred or may affect the significance or accuracy of any such information but that are unknown to Comstock, Holdings or Purchaser.

General. DevX is a Delaware corporation with its principal executive offices located at 13760 Noel Road, Suite 1030, Dallas, Texas 75240-7336. DevX's telephone number is (972) 233-9906.

DevX is an independent energy company engaged in the exploration, exploitation, development and acquisition of oil and natural gas properties in conventional producing areas of North America.

Available Information. DevX is subject to the informational filing requirements of the Exchange Act and, in accordance therewith, is required to file periodic reports, proxy statements and other information with the Commission relating to its business, financial condition and other matters. Information as of particular dates concerning DevX's directors and officers, their remuneration, stock options granted to them, the principal holders of DevX's securities and any material interest of such persons in transactions with DevX is required to be disclosed in proxy statements distributed to DevX's stockholders and filed with the Commission. Such reports, proxy statements and other information should be available for inspection at the public reference facilities maintained by the Commission at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549, and also should be available for inspection at the Commission's public reference rooms in Chicago, Illinois and New York, New York. Please call the SEC at 1-800-SEC-0330 for further information concerning the public reference rooms. Copies of such materials may also be obtained by mail, upon payment of the Commission's customary fees, by writing to its principal office at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549. The Commission also maintains a World Wide Website on the Internet at http://www.sec.gov that contains reports and other information regarding issuers that file electronically with the Commission.

8. CERTAIN INFORMATION CONCERNING COMSTOCK, HOLDINGS AND PURCHASER.

General. Each of Holdings and Purchaser is a newly formed Delaware corporation organized for the purpose of effecting the Offer and the Merger and neither has carried on any activities other than in connection with the Offer and the Merger. The principal offices of Holdings and Purchaser are located at 5300 Town and Country Blvd., Suite 500, Frisco, Texas 75034 and their telephone number is (972) 668-8800. Purchaser is a wholly owned subsidiary of Holdings and Holdings is a wholly owned subsidiary of Comstock.

Until immediately prior to the time that Purchaser will purchase Shares pursuant to the Offer, it is not anticipated that either Holdings or Purchaser will have any significant assets or liabilities or engage in activities other than those incident to its formation and capitalization and the transactions contemplated by the Offer and the Merger. Because each of Holdings and Purchaser is newly formed and has minimal assets and capitalization, no meaningful financial information regarding Holdings or Purchaser is available.

Comstock is a Nevada corporation, with its principal offices located at 5300 Town and Country Blvd., Suite 500, Frisco, Texas 75034. Comstock's telephone number is (972) 668-8800. Comstock's principal business is the acquisition, development, production and exploration of oil and natural gas properties. The common stock of Comstock is listed for trading on The New York Stock Exchange under the symbol "CRK."

The name, citizenship, business address, business telephone number, principal occupation or employment, and five-year employment history for each of the directors and executive officers of Comstock, Holdings and Purchaser and certain other information are described in Schedule I hereto. Except as described in this Offer to Purchase and in Schedule I hereto, none of Comstock, Holdings, Purchaser or, to their knowledge, any of the persons listed on Schedule I hereto has during the last five years (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) been a party to any judicial or administrative proceeding (except for matters that were dismissed without sanction or settlement) that

resulted in a judgment, decree or final order enjoining the person from future violations of, or prohibiting activities subject to, federal or state securities laws or finding any violation of such laws.

Except as described in this Offer to Purchase, (i) none of Comstock, Holdings or Purchaser, nor, to their knowledge, any of the persons listed in Schedule I hereto or any associate or majority-owned subsidiary of Comstock, Holdings or Purchaser or any of the persons so listed, beneficially owns or has any right to acquire any Shares and (ii) none of Comstock, Holdings or Purchaser, nor, to the their knowledge, any of the persons or entities referred to above nor any director, executive officer or subsidiary of any of the foregoing has effected any transaction in the Shares during the past 60 days.

Except as described in this Offer to Purchase, no material agreement, arrangement, understanding or relationship exists or is proposed between Comstock, Holdings, Purchaser, or, to their knowledge, any of the persons listed in Schedule I hereto or any controlling persons or subsidiaries of Comstock, Holdings or Purchaser and DevX or any of its executive officers, directors, controlling persons or subsidiaries.

As of November 14, 2001, none of Comstock, Holdings or Purchaser, nor, to their knowledge, any of the persons listed in Schedule I hereto owns any Shares.

Except as provided in the Merger Agreement and as otherwise described in this Offer to Purchase, none of Comstock, Holdings or Purchaser, nor, to their knowledge, any of the persons listed in Schedule I hereto, has any contract, agreement, arrangement or understanding, whether or not legally enforceable, with any other person with respect to any securities of DevX, including, but not limited to, the transfer or voting of such securities, joint ventures, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss guarantees of profits or loss or the giving or withholding of proxies, consents or authorizations. Except as described in this Offer to Purchase, since November 15, 1999, none of Comstock, Holdings or Purchaser, nor, to their knowledge, any of the persons listed on Schedule I hereto, has had any transaction with DevX or any of its executive officers, directors or affiliates that is required to be reported under the rules and regulations of the Commission applicable to the Offer. Except as described in this Offer to Purchase, since November 15, 1999, there have been no negotiations, transactions or material contacts between any of Comstock, Holdings or Purchaser or any of their respective subsidiaries or, to their knowledge, any of the persons listed in Schedule I hereto, on the one hand, and DevX or its affiliates, on the other hand, concerning a merger, consolidation or acquisition, tender offer for or other acquisition of any class of DevX's securities, an election of DevX's directors or a sale or other transfer of a material amount of assets of DevX.

9. FINANCING OF THE OFFER AND THE MERGER.

The total amount of funds required by Purchaser to consummate the Offer and the Merger and to pay related fees and expenses is estimated to be approximately $94.0 million. Holdings will finance approximately $57.0 million of the Offer and the Merger with borrowings under an acquisition loan (the "Acquisition Loan") and Comstock will finance the remaining approximately $37.0 million of the Offer and the Merger with an investment in Holdings with borrowings under a new revolving bank credit facility (the "Comstock Credit Facility"). Alternatively, Comstock may finance the entire amount with borrowings under the Comstock Credit Facility and not access the Acquisition Loan.

Comstock has entered into a commitment letter for the Comstock Credit Facility. In addition, Comstock has entered into a commitment letter for a credit facility (the "DevX Credit Facility") for the Surviving Corporation (as defined below), to be effective upon completion of the Merger. Proceeds from the DevX Credit Facility would be used to repay a portion of the Acquisition Loan. The Comstock Credit Facility and the DevX Credit Facility are collectively referred to as the "Credit Facilities." Copies of the commitment letters have been filed as Exhibits to the Tender Offer Statement on Schedule TO (the "Schedule TO") filed by Purchaser, Holdings and Comstock with the Commission in connection with the Offer. The commitment letters may be examined and copies may be obtained at the places set forth in "Section 7. Certain Information Concerning DevX."

The Comstock Credit Facility will consist of a $350.0 million revolving credit commitment and the DevX Credit Facility will consist of a $48.5 million revolving credit commitment, each of which will provided by a

syndicate of banks for which TD Securities (USA), Inc. will serve as arranger and Toronto Dominion (Texas), Inc. ("TDTX") will serve as administrative agent.

Indebtedness under the Comstock Credit Facility will be secured by substantially all of Comstock's and certain of its subsidiaries' assets and indebtedness under the DevX Credit Facility will be secured by substantially all of the Surviving Corporation's assets. Each of the Credit Facilities will be subject to borrowing base availability, which will be redetermined semiannually based on the banks' estimates of the future net cash flows of the borrowers' oil and gas properties. The borrowing base may be affected by the performance of the respective borrower's properties and changes in oil and gas prices. The determination of the borrowing base will be at the sole discretion of the administrative agent and the bank group. The revolving credit line under the Comstock Credit Facility will bear interest, based on the utilization of the borrowing base, at the option of Comstock at either (i) LIBOR plus 1.0% to 2.0% or (ii) the base rate plus 0% to 1.0%. The revolving credit line under the DevX Credit Facility will bear interest, based on the utilization of the borrowing base, at the option of the Surviving Corporation at either (i) LIBOR plus 2.0% to 2.25% or (ii) the base rate plus 1.0% to 1.25%. Each Credit Facility will mature on the third anniversary of the closing thereof or such earlier date as the borrower may elect. Each Credit Facility will contain covenants that, among other things, restrict the payment of cash dividends, limit the amount of consolidated debt and limit the borrower's ability to make certain loans and investments. Financial covenants will include the maintenance of a current ratio, maintenance of tangible net worth and maintenance of an interest coverage ratio.

Holdings has entered into a commitment letter for the Acquisition Loan, a copy of which has been filed as an Exhibit to the Schedule TO. The commitment letter may be examined and copies may be obtained at the places set forth in "Section 11. Certain Information Concerning DevX."

The purpose of the Acquisition Loan is to provide a portion of the funds for the acquisition of the Shares. Pursuant to the commitment letter, the Acquisition Loan will consist of a $57.0 million credit commitment provided by a syndicate of lenders for which FBR will serve as an advisor and arranger and TDTX will serve as administrative agent. Indebtedness under the Acquisition Loan will be secured by Purchaser's ownership of Shares and a pledge of 3,000,000 shares of unregistered common stock of Comstock. The Acquisition Loan will consist of advances aggregating $57.0 million. The Acquisition Loan will bear interest at a rate equal to the greater of (i) the rate publicly announced from time to time by TDTX as its prime rate or (ii) the Federal Funds rate plus 0.50% per annum, plus, in each case, (x) during days one through 14, 900 basis points, (y) during days 15 through 30, 1,200 basis points, and (z) thereafter, 1,500 basis points. The Acquisition Loan will mature 90 days after closing and may be prepaid at any time. Interest will be payable at maturity. The Acquisition Loan will contain covenants that, among other things, restrict the payment of dividends and distributions, limit the incurrence of debt and the issuance of quasi-equity securities such as preferred stock, prohibit certain loans and investments and restrict certain mergers or consolidations. Pursuant to the commitment letter, financial covenants will include those usual and customary for transaction of this nature.

FBR, an advisor and arranger for the Acquisition Loan, is also DevX's financial advisor in connection with the Offer and the Merger. At the closing of the Acquisition Loan, FBR will receive $125,000 as an arrangement fee.

In October 2001, Comstock engaged FBR to act as financial advisor to Comstock in connection with a potential acquisition from third parties of oil and gas properties in which DevX also owns an interest. In connection with such engagement, Comstock has agreed to pay FBR a fee of $90,000. Comstock also agreed to reimburse FBR for its out-of-pocket expenses incurred in connection with performing its services, including the fees and disbursements of legal counsel, and to indemnify FBR and related parties against certain liabilities, including liabilities under federal securities laws, arising out of FBR's engagement.

DevX retained FBR in August 1999 for an initial term of two years to act as its financial advisor with respect to any purchase or sale of all or substantially all of the assets of DevX or any similar stock purchase, merger, acquisition, business combination, joint venture or other strategic transaction. This term was subsequently extended to November 2002. The engagement letter provides that FBR will assist DevX in identifying, evaluating and implementing strategic alternatives including business combinations, capital raising and self-tenders. Under the engagement, DevX has agreed to pay FBR (1) a transaction fee of up to 2% of the

first $30 million of total consideration involved in the transaction, 1.5% of amounts exceeding $30 million up to and including $50 million of total consideration and 1% of amounts exceeding $50 million of total consideration plus (2) FBR's out-of-pocket expenses incurred in connection with performing its services, including the fees and disbursements of legal counsel and its petroleum engineering consultants. Upon consummation of the Merger, the transaction fee will be approximately $1,900,000. DevX also has agreed to indemnify FBR and related parties against certain liabilities, including liabilities under the federal securities laws, arising out of their engagement. On November 10, 2000, Patrick J. Keeley, who serves as of FBR's managing directors, became one of DevX's directors.

Pursuant to the engagement letter with DevX, FBR has provided financial advisory and investment banking services to DevX since August 1999 and has received customary compensation for the rendering of such services. During the year ended December 31, 2000, FBR assisted DevX to implement a recapitalization, which was completed on October 31, 2001. In addition, FBR acted as the lead underwriter for the offering of 11,500,000 Shares, which was closed in October and November 2000. Simultaneously with the underwriting, FBR assisted DevX to execute a tender to repurchase $75.0 million of original principal amount of DevX's senior notes. During the year 2000, DevX paid FBR fees totaling approximately $5.7 million plus expenses.

10. BACKGROUND OF THE OFFER; THE MERGER AGREEMENT AND RELATED AGREEMENTS.

BACKGROUND OF THE OFFER

In January 2001, Patrick J. Keeley, one of DevX's directors and an officer of FBR, contacted M. Jay Allison, Chairman and Chief Executive Officer of Comstock, on behalf of DevX to determine whether Comstock might be interested in pursuing merger discussions. On January 12, 2001, Mr. Keeley and Rehan Rashid of FBR, Joseph T. Williams, Chairman of DevX, Mr. Allison, Roland O. Burns, the Chief Financial Officer and a director of Comstock, and Michael W. Taylor, the Vice President of Corporate Development of Comstock, met to discuss DevX's recent restructuring and its current assets, reserves and production rate. On January 15, 2001, DevX provided a set of publicly available information to Comstock.

On January 16, 2001, Comstock and DevX entered into a confidentiality agreement. DevX provided Comstock with its reserve report, asset profile and financial information on January 17, 2001.

Over the following two weeks, several conversations were held between representatives of Comstock and DevX relating to DevX's assets.

On February 16, 2001, DevX provided Comstock with a reserve report, together with lease operating statements and financial information.

On March 8, 2001, representatives of DevX and Comstock met to discuss assets and engineering data. On March 9, 2001, DevX provided Comstock with information on DevX's employment costs, capital structure and working capital. In the course of their review of the information provided by DevX, representatives of Comstock held several telephone conversations with representatives of DevX for the purpose of clarifying certain aspects of the DevX information. On March 21, 2001, FBR provided Comstock with an analysis of DevX. These initial discussions did not advance to any significant stage and were abandoned at that time.

On September 24, 2001, Mike Mitchell of FBR contacted Mr. Allison to determine whether Comstock had any interest in discussing a transaction with DevX. Mr. Mitchell followed up this call with a meeting with Messrs. Allison and Burns. At the meeting, Mr. Allison indicated that Comstock might be interested in reopening discussions with DevX.

On October 4, 2001, Messrs. Mitchell, Allison, Burns and Taylor met at Comstock's office to discuss a possible transaction between Comstock and DevX.

On October 5, 2001, Mr. Taylor placed a telephone call to Ronald Idom, Senior Vice President, Operations of DevX, to discuss the status of DevX's reserves and assets. Mr. Idom provided additional data to Mr. Taylor on October 5, 2001, and, on October 8, 2001, Messrs. Idom and Taylor and various other representatives of the two companies met at DevX's offices to discuss DevX's reserve and asset information in greater detail.

On October 10, 2001, Comstock sent a letter of intent to DevX in which Comstock indicated that it was prepared to purchase all of the outstanding shares of DevX for $7.10 per share. The October 10 letter was subject to a number of conditions.

Over the following ten days, discussions with the same principal participants were held regarding unresolved elements of a transaction, including the price per share, various closing conditions, termination fees and restrictions on DevX's ability to continue or initiate merger discussions with third parties.

On October 19, 2001, several telephone conversations took place between Messrs. Williams and Allison during which the parties agreed to terms of the letter of intent. The letter of intent was executed on behalf of both parties later that day. The terms of the letter of intent are similar in all material respects to those described in this Offer to Purchase.

Immediately upon signing the letter of intent, the parties instructed their legal advisors to prepare a definitive agreement and the other documentation required to effect the transaction. On the morning of October 22, 2001, Comstock and DevX each issued a press release announcing that they had signed a non-binding letter of intent relating to the acquisition of DevX by Comstock.

During the period from October 22 to November 8, Comstock through its representatives conducted its due diligence investigation. Also during this period, representatives of the parties conducted negotiations with respect to finalizing the definitive agreement.

During this same period, FBR, DevX's financial advisor in connection with the Offer and the Merger, and Comstock engaged in discussions regarding FBR's possible assistance in facilitating financing a portion of the consideration for the Offer and the Merger. As a result of these discussions, Holdings entered into a commitment letter with FBR for the Acquisition Loan on the terms described in "Section 9. Financing of the Offer and the Merger." In addition, FBR is providing services to Comstock in connection with a potential acquisition from third parties of oil and gas properties in which DevX also owns an interest. The fees payable by Comstock and DevX to FBR in connection with these matters are described above in "Section 9. Financing of the Offer and the Merger."

The Comstock Board met on November 12, 2001 and unanimously approved the definitive merger agreement and the other related transaction documents.

On November 12, 2001, the merger agreement was executed and delivered by representatives of all of the parties. Prior to the opening of trading on November 13, 2001, Comstock and DevX each issued press releases announcing the execution of the definitive agreement.

THE MERGER AGREEMENT

The following is a summary of certain provisions of the Merger Agreement. This summary is qualified in its entirety by reference to the Merger Agreement, which is incorporated herein by reference, and a copy of which has been filed as an Exhibit to Schedule TO. The Merger Agreement may be examined and copies may be obtained at the places set forth in "Section 7. Certain Information Concerning DevX."

The Offer. The Merger Agreement provides for the commencement of the Offer as promptly as reasonably practicable, but in no event later than seven business days after November 12, 2001. The obligation of Purchaser to accept for payment Shares tendered pursuant to the Offer is subject to the satisfaction of the Minimum Condition and certain other conditions that are described in "Section 14. Certain Conditions of the Offer" hereof. Purchaser has agreed that no change in the Offer may be made that decreases the Per Share Amount, changes the form of consideration payable, reduces the maximum number of Shares to be purchased in the Offer or imposes or modifies (other than waives) conditions to the Offer in addition to those set forth in "Section 14. Certain Conditions of the Offer" hereof without the prior consent of DevX.

The Merger. The Merger Agreement provides that, upon the terms and subject to the conditions thereof, and in accordance with Delaware Law, Purchaser will be merged with and into DevX. As a result of the Merger, the separate corporate existence of Purchaser will cease and DevX will continue as the surviving corporation of the Merger (the "Surviving Corporation") and will become a wholly owned subsidiary of

Holdings. Upon the consummation of the Merger, each Share issued and outstanding immediately prior to the Effective Time (other than any Shares that are held in the treasury of DevX, or owned by Purchaser, Holdings, Comstock or DevX, and any Shares that are held by stockholders who have not voted in favor of the Merger or consented thereto in writing and who have demanded properly in writing appraisal for such Shares in accordance with Delaware Law) will be canceled and converted automatically into the right to receive the Merger Consideration.

Pursuant to the Merger Agreement, each Share held in treasury of DevX and each Share owned by Purchaser, Holdings, Comstock or DevX immediately prior to the Effective Time will be canceled without any conversion thereof and no payment or distribution will be made with respect thereto, and each share of common stock of Purchaser issued and outstanding immediately prior to the Effective Time will be converted into and exchanged for one share of common stock of the Surviving Corporation.

The Merger Agreement provides that M. Jay Allison and Roland O. Burns will be the initial directors and officers of the Surviving Corporation. The Merger Agreement also provides that, at the Effective Time, the Certificate of Incorporation of Purchaser, as in effect immediately prior to the Effective Time, will be the Certificate of Incorporation of the Surviving Corporation, except that, at the Effective Time, Article I of the Certificate of Incorporation of the Surviving Corporation will be amended to provide that the name of the Surviving Corporation will be "DevX Energy, Inc." The Merger Agreement further provides that, unless otherwise determined by Comstock prior to the Effective Time and subject to the bylaws of Purchaser, at the Effective Time, the By-laws of Purchaser, as in effect immediately prior to the Effective Time, will be the By-laws of the Surviving Corporation.

Stock Options. DevX agreed in the Merger Agreement to use its reasonable best efforts to cause all holders of options (and such holders' spouses) to purchase Shares granted under DevX's 1997 Incentive Stock Option Plan and Directors Non-Qualified Option Plan (the "Stock Option Plans") to execute prior to the Initial Expiration Date an agreement to relinquish such holder's options to purchase Shares (an "Option Relinquishment and Release Agreement"). At the Expiration Date, Purchaser will cause each holder who has previously delivered an Option Relinquishment and Release Agreement to be paid the cash amount equal to the product of (i) the number of Shares subject to such option (irrespective of whether such option is then exercisable) and (ii) the amount by which the Per Share Amount exceeds the exercise or strike price per Share subject to such option, less any required withholding taxes. If an option holder fails to deliver an Option Relinquishment and Release Agreement prior to the Initial Expiration Date, such holder's options (the "Outstanding Options") will, in accordance with the terms and conditions of the governing Stock Option Plan and the holder's stock option agreement(s), be converted without any action on the part of the holder thereof into the right to receive Merger Consideration upon the exercise of such holder's options in accordance with, and within the time period prescribed by, the applicable Stock Option Plan and the holder's stock option agreement(s). Purchaser also agreed in the Merger Agreement to pay or cause to be paid to each holder of Outstanding Options, the Merger Consideration, less any required withholding taxes, as promptly as practicable after receiving a valid exercise of such options by the holder thereof. If any holder of options to purchase Shares exercises such options prior to the Effective Time, such holder will receive certificates evidencing the Shares underlying the options and may surrender such certificates at the Effective Time for payment in cash as provided in the Merger Agreement.

Warrants. DevX agreed in the Merger Agreement to send to holders of warrants to purchase Shares written notice of the Offer and Merger and such information required by the terms of such warrant, along with an agreement to relinquish such warrants (a "Warrant Relinquishment and Release Agreement"), and to use its reasonable best efforts to cause all holders of warrants (and such holders' spouses) to execute prior to the Initial Expiration Date a Warrant Relinquishment and Release Agreement. At the Expiration Date, Purchaser shall cause such holders who have previously delivered a Warrant Relinquishment and Release Agreement to be paid the cash amount equal to the product of (i) the number of Shares subject to such warrant and (ii) the amount by which the Per Share Amount exceeds the exercise price per share of Shares subject to such warrant, less any required withholding taxes. If a warrant holder fails to deliver a Warrant Relinquishment and Release Agreement prior to the Initial Expiration Date, such holder's warrants (the "Outstanding Warrants") will, in accordance with the terms and conditions of the Outstanding Warrant, be converted without any action

on the part of the holder thereof into the right to receive Merger Consideration upon the exercise of such holder's warrants in accordance with the warrant agreement(s). The Purchaser agreed in the Merger Agreement to pay or cause to be paid to each holder of Outstanding Warrants, the Merger Consideration, less any required withholding taxes, as promptly as practicable after receiving a valid exercise of such warrants by the holder thereof. If warrants to purchase Shares are exercised by holders prior to the Effective Time, such holders shall receive certificates evidencing the Shares underlying the warrants and may surrender such certificates the Effective Time for payment in cash as provided in the Merger Agreement.

Conduct of Business by DevX Pending the Merger. DevX agreed in the Merger Agreement that, between the date of the Merger Agreement and the Effective Time, unless Comstock otherwise agrees in writing and except for actions taken or omitted for the purpose of complying with the Merger Agreement, the businesses of DevX and its subsidiaries will be conducted only in, and DevX and its subsidiaries will not take any action except in, the ordinary course of business and in a manner consistent with past practice; and DevX will use its reasonable best efforts to preserve substantially intact the business organization of DevX and its subsidiaries and to preserve the current relationships of DevX and its subsidiaries with customers, suppliers and other persons with which DevX or any of its subsidiaries has significant business relations.

The Merger Agreement provides that, by way of amplification and not limitation, except as expressly contemplated therein, neither DevX nor any of its subsidiaries will, between the date of the Merger Agreement and the Effective Time, directly or indirectly, do any of the following without the prior written consent of Comstock:

(a) amend or otherwise change its Certificate of Incorporation or By-laws or equivalent organizational documents;

(b) split, combine, reclassify, subdivide or redeem, or purchase or otherwise acquire, directly or indirectly, any of its capital stock;

(c) issue (other than upon the exercise of options or warrants previously granted to current or former officers, employees or directors of DevX), purchase, redeem, sell, pledge, dispose of, grant, encumber, or authorize the issuance, sale, pledge, disposition, grant or encumbrance of any shares of any class of capital stock of DevX or any of its subsidiaries, or any options, warrants, convertible securities or other rights of any kind to acquire any shares of such capital stock, or any other ownership interest (including, without limitation, any phantom interest), of DevX or any of its subsidiaries;

(d) declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of its capital stock, except for dividends by any direct or indirect wholly owned subsidiary of DevX or any other subsidiary;

(e) with certain exceptions, sell, transfer, assign, dispose of or encumber any assets of DevX or any of its subsidiaries, or enter into any agreement or commitment with respect to assets of DevX or its subsidiaries, other than in the ordinary course consistent with past good business practice and other than transfers between DevX and its subsidiaries;

(f) with certain exceptions, sell, transfer, assign, dispose of or encumber any of DevX's oil and gas properties or enter into any agreement or commitment with respect to any such sale, assignment, disposition or encumbrance;

(g) other than in the ordinary course and consistent with past business practice, incur or become contingently liable for any indebtedness or guarantee any such indebtedness or redeem, purchase or acquire or offer to redeem, purchase or acquire any debt;

(h) acquire or agree to acquire any assets other than in the ordinary course and consistent with past business practice;

(i) modify or amend any existing agreement or enter into any new agreement with DevX's financial advisors or other similar consultants, including, without limitation, FBR;

(j) subject to certain provisos, elect not to participate in any well to which proven reserves (as identified in the report of DevX's estimates of its and its subsidiaries' oil and gas reserves as of June 30, 2001 (the "Reserve Report")) have been attributed in the Reserve Report proposed pursuant to any existing net profits agreement or joint operating agreement;

(k) (i) acquire (including, without limitation, by merger, consolidation, or acquisition of stock or assets or any other business combination) any corporation, partnership, other business organization or any division thereof or any significant amount of assets, except for purchases of inventory in the ordinary course of business consistent with past practice, (ii) incur any indebtedness for borrowed money other than draws under DevX's existing revolving credit facility or issue any debt securities or assume, guarantee or endorse, or otherwise become responsible for, the obligations of any person, or make any loans or advances, (iii) except as provided in the Merger Agreement, enter into any contract or agreement other than in the ordinary course of business and consistent with past practice, (iv) issue any authorization for expenditure or authorize any other individual capital expenditure in excess of $250,000 net to DevX's interest or (v) except as provided in the Merger Agreement, enter into or amend any contract, agreement, commitment or arrangement with respect to any matter described in this paragraph (k);

(l) with certain exceptions, increase the compensation payable or to become payable or the benefits provided to its directors, officers or employees, except for increases in the ordinary course of business and consistent with past practice in salaries or wages of employees of DevX or any of its subsidiaries who are not directors or officers of DevX or any of its material subsidiaries, or establish, adopt, enter into or amend (except as may be required by law) any collective bargaining, bonus, profit-sharing, thrift, compensation, stock option, restricted stock, pension, retirement, deferred compensation, employment, termination, severance or other plan, agreement, trust, fund, policy or arrangement for the benefit of any director, officer or employee;

(m) take any action, other than reasonable and usual actions in the ordinary course of business and consistent with past practice, with respect to accounting policies or procedures;

(n) make any material tax election or settle or compromise any material tax liability;

(o) with certain exceptions, pay, discharge or satisfy any claim, liability or obligation (absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction, in the ordinary course of business and consistent with past practice, of liabilities reflected or reserved against in DevX's balance sheet dated June 30, 2001 or subsequently incurred in the ordinary course of business and consistent with past practice or liabilities or obligations owed to DevX or its subsidiaries;

(p) amend, modify or consent to the termination of any of DevX's material contracts, or amend, waive, modify or consent to the termination of DevX's or its subsidiaries' material rights thereunder;

(q) commence or settle any material litigation, suit, claim, action, proceeding or investigation (an "Action"); or

(r) publicly announce an intention, enter into any formal or informal agreement or otherwise make a commitment, to do any of the foregoing.

Stockholders' Meeting. Pursuant to the Merger Agreement, DevX, acting through the Board, will, if required by applicable law in order to consummate the Merger, duly call, give notice of, convene and hold an annual or special meeting of its stockholders (the "Stockholders' Meeting") as promptly as practicable following consummation of the Offer for the purpose of considering and taking action on the Merger Agreement and the Merger. If Purchaser acquires at least a majority of the outstanding Shares, Purchaser will have sufficient voting power to approve the Merger, even if no other stockholder votes in favor of the Merger.

Proxy Statement. The Merger Agreement provides that DevX will, if approval of DevX's stockholders is required by applicable law to consummate the Merger, promptly following consummation of the Offer, file with the Commission under the Exchange Act, and use its best efforts to have promptly cleared by the

Commission, a proxy statement and related proxy materials (the "Proxy Statement") with respect to the Stockholders' Meeting and will cause the Proxy Statement and all required amendments and supplements thereto to be mailed to stockholders of DevX at the earliest practicable time. DevX has agreed to include in the Proxy Statement, and not subsequently withdraw or modify in any manner adverse to Purchaser, Holdings or Comstock, the recommendation of the Board that the stockholders of DevX approve and adopt the Merger Agreement and the transactions contemplated thereby and to use its best efforts to obtain such approval and adoption. The Merger Agreement also provides that, if Purchaser acquires at least 90% of the then outstanding Shares, Comstock, Holdings, Purchaser and DevX will take all necessary and appropriate action to cause the Merger to become effective, in accordance with Delaware Law, as promptly as reasonably practicable after such acquisition, without a meeting of DevX's stockholders.

DevX Board Representation. The Merger Agreement provides that, promptly upon the purchase by Purchaser of 50% of the outstanding Shares plus one Share (including Shares purchased pursuant to the Offer), Purchaser will be entitled to designate up to such number of directors, rounded up to the next whole number, on the Board as will give Purchaser representation on the Board equal to the product of the total number of directors on the Board (giving effect to the directors elected pursuant to the provision described in this paragraph), multiplied by the percentage that the aggregate number of Shares beneficially owned by Purchaser or any affiliate of Purchaser following such purchase bears to the total number of Shares then outstanding, and DevX will, at such time, promptly take all actions necessary to cause Purchaser's designees to be elected as directors of DevX, including increasing the size of the Board or securing the resignations of incumbent directors, or both. The Merger Agreement also provides that, at such times, DevX will use its best efforts to cause persons designated by Purchaser to constitute the same percentage as persons designated by Purchaser will constitute of the Board of (i) each committee of the Board, (ii) each board of directors of each subsidiary of DevX, and (iii) each committee of each such board, in each case only to the extent permitted by applicable law. DevX further agreed in the Merger Agreement that, until the Effective Time, at the request of Comstock, DevX will use its best efforts to ensure that at least two members of the Board and each committee of the Board and such boards and committees of DevX's subsidiaries, as of the date of the Merger Agreement, who are not employees of DevX will remain members of the Board and of such boards and committees.

The Merger Agreement provides that, following the election or appointment of Purchaser's designees in accordance with the provision described above and prior to the Effective Time, any amendment of the Merger Agreement or the Certificate of Incorporation or By-laws of DevX, any termination of the Merger Agreement by DevX, any extension by DevX of the time for the performance of any of the obligations or other acts of Comstock, Holdings or Purchaser, or waiver of any of DevX's rights thereunder, will require the concurrence of a majority of those directors of DevX then in office who neither were designated by Purchaser nor are employees of DevX or any of its subsidiaries, and, if serving on the Board currently, were disinterested directors in connection with the Board's consideration of the Merger Agreement.

Access to Information. Pursuant to the Merger Agreement, until the Effective Time, DevX will, and will cause its subsidiaries and the officers, directors, employees, auditors and agents of DevX and its subsidiaries to, afford the officers, employees and agents of Comstock, Holdings and Purchaser and persons providing or proposing to provide Comstock or Purchaser with financing for the Offer and the Merger complete access at all reasonable times to the officers, employees, agents, properties, offices, plants and other facilities, books and records of DevX and each of its subsidiaries, and will furnish Comstock, Holdings and Purchaser and persons providing or proposing to provide Comstock, Holdings or Purchaser with financing for the transactions contemplated by the Merger Agreement, with such financial, operating and other data and information as Comstock, Holdings or Purchaser, through its officers, employees or agents, may reasonably request, and Comstock, Holdings and Purchaser have agreed to keep such information confidential, except in certain circumstances.

No Solicitation of Transactions. DevX has agreed in the Merger Agreement that neither it nor any of its subsidiaries through any officer, director, advisor or other person acting on its behalf will, directly or indirectly, solicit, initiate or encourage in any way any offer from any third party to acquire by any means all or any substantial part of the assets or the shares of capital stock of DevX or any of its subsidiaries (an "Acquisition Proposal"). Pursuant to the Merger Agreement, DevX may, however, furnish information to and

negotiate with a third party (a "Potential Acquirer") if the Potential Acquirer has, in circumstances not involving any breach by DevX of the foregoing provisions, made a tender or exchange offer for, or a proposal to the Board to acquire 20% or more of the Shares, and (i) the Board determines in good faith, based on the advice of outside counsel, that the failure to do so would be reasonably likely to constitute a breach of its fiduciary duties to the stockholders of DevX under applicable law, and (ii) the Board is advised by its financial advisor that such Potential Acquirer has the financial wherewithal to consummate the acquisition and such acquisition would be more favorable to the stockholders of DevX than the transactions contemplated by the Merger Agreement.

DevX has also agreed that neither the Board nor any committee thereof will (i) withdraw or modify, or propose to withdraw or modify, in a manner adverse to Comstock, Holdings or Purchaser, the approval or recommendation by the Board or any such committee of the Merger Agreement, the Offer, or the Merger, (ii) approve or recommend, or propose to approve or recommend, any Acquisition Proposal or (iii) enter into any agreement with respect to any Acquisition Proposal. The Merger Agreement provides that, notwithstanding the foregoing, in the event that, prior to the Expiration Date, the Board determines in good faith that it is required to do so by its fiduciary duties under applicable law after having received advice from outside legal counsel, the Board may withdraw or modify its approval or recommendation of the Offer and the Merger, but only to terminate the Merger Agreement in accordance with the termination provisions specified therein (and, concurrently with such termination, cause DevX to enter into an agreement with respect to any Acquisition Proposal that the Board determines, in its good faith judgment (after having received the advice of FBR or such other financial advisor of recognized reputation), to be more favorable to DevX's stockholders than the Offer and the Merger and for which financing, to the extent required, is then committed (such Acquisition Proposal, a "Superior Proposal")).

In the Merger Agreement, DevX agreed to, and agreed to direct or cause its directors, officers, employees, representatives and agents to, immediately cease and cause to be terminated any discussions or negotiations with third parties that may be ongoing with respect to any Acquisition Proposal. DevX also agreed to promptly advise Comstock in writing (within 48 hours) of the material terms and conditions of such Acquisition Proposal.

Employee Matters. Pursuant to the Merger Agreement, Purchaser will provide DevX a list of employees whom Purchaser intends to continue to employ, and a summary of the material terms of such employment, which terms will not be less favorable than such employee's current employment terms and provided that such employees who are retained and for whom a retention bonus would be due and payable will be paid such bonus on December 31, 2001. The Merger Agreement provides that, at any time after receipt of such list, DevX may terminate any employee whose name is not on such list and will pay any severance to such employee to which he or she may be entitled under the terms of certain employment contract, termination agreement or policy in existence as of October 19, 2001. Comstock agreed in the Merger Agreement to cause DevX to maintain DevX's existing benefits for such period of time as is necessary for DevX to fulfill its obligations under existing contracts and policies. Comstock agreed in the Merger Agreement to, after the Effective Date, cause DevX to maintain welfare benefit plans with benefits no less favorable to the persons covered thereby than DevX's existing welfare benefit plans for such period of time as necessary for DevX to fulfill its obligations under DevX's existing contracts and policies.

Directors' and Officers' Indemnification Insurance. The Merger Agreement provides that the Certificate of Incorporation of the Surviving Corporation will contain provisions no less favorable with respect to indemnification than are set forth in Article VI of the By-laws of DevX, and that such provisions will not be amended, repealed or otherwise modified in any manner that would materially and adversely affect the rights thereunder of individuals who, at or prior to the Effective Time, were directors, officers, employees, fiduciaries or agents of DevX, unless such modification is required by law.

In the Merger Agreement, Comstock agreed to maintain the directors' and officers' liability insurance that serves to reimburse persons currently covered by DevX's directors' and officers' liability insurance in full force and effect for the continued benefit of such persons for a continuous period of not less than two years from the Effective Time on terms that are not materially different from DevX's insurance currently in effect

(except that the Surviving Corporation may substitute therefor policies of at least the same coverage containing terms and conditions that are not less favorable) with respect to matters occurring prior to the Effective Time.

The Merger Agreement further provides that if DevX, Comstock or the Surviving Corporation or any of their respective successors or assigns (i) consolidates with or merges into any other person and is not the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any person, then, and in each such case, proper provision will be made so that the successors and assigns of DevX, Comstock or the Surviving Corporation, as the case may be, or at Comstock's option, Comstock, will assume the foregoing indemnity obligations.

The foregoing indemnification obligations are in addition to and not in lieu of DevX's indemnification obligations under agreements between DevX and certain of its officers and directors.

Further Action; Reasonable Best Efforts. In the Merger Agreement, each of the parties agreed to use its reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by the Merger Agreement. None of Purchaser, Holdings or Comstock is, however, required to take any action, including entering into a consent decree, hold separate orders or other arrangements, that (i) requires the divestiture of any assets of any of Purchaser, Holdings, Comstock, DevX or any of their respective subsidiaries or (ii) limits Comstock's ability to operate DevX and its subsidiaries or any portion thereof or any of Comstock's or its affiliates' other assets or businesses in a manner consistent with past practice. The Merger Agreement also provides that in case, at any time after the Effective Time, any further action is necessary or desirable to carry out the purposes of the Merger Agreement, the proper officers and directors of each party to the Merger Agreement are required to use their reasonable best efforts to take all such action.

The Merger Agreement further provides that each of the parties will cooperate and use its reasonable best efforts to vigorously contest and resist any Action, including administrative or judicial Action, and to have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order (whether temporary, preliminary or permanent) that is in effect and that restricts, prevents or prohibits consummation of the transactions contemplated by the Merger Agreement, including, without limitation, by vigorously pursuing all available avenues of administrative and judicial appeal.

Assumption of Agreements. Comstock agreed in the Merger Agreement to, at the Expiration Date, enter into an assumption or guaranty agreement reasonably satisfactory to Brian J. Barr and Edward J. Munden, each of whom is a former officer of DevX, pursuant to which Comstock will assume or guaranty the obligations of DevX under the termination agreement between DevX and each of Messrs. Barr and Munden.

Representations and Warranties. The Merger Agreement contains various customary representations and warranties of the parties thereto including, among others, representations by DevX as to the absence of certain changes or events concerning DevX's business, oil and gas agreements, properties, compliance with law, filings and financial statements, litigation, employee benefit plans, labor and employment matters, property and leases, intellectual property, environmental matters, taxes, material contracts, customers and suppliers, insurance and brokers.

Conditions to the Merger. Under the Merger Agreement, the respective obligations of each party to effect the Merger are subject to the satisfaction, at or prior to the Effective Time, of the following conditions:

(a) if and to the extent required by Delaware Law, the Merger Agreement and the transactions contemplated thereby have been approved and adopted by the affirmative vote of the stockholders of DevX;

(b) no governmental authority has enacted, issued, promulgated, enforced or entered any law (whether temporary, preliminary or permanent) that is then in effect and has the effect of making the acquisition of Shares by Comstock, Holdings or Purchaser or any affiliate of any of them illegal or

otherwise restricting, preventing or prohibiting consummation of the transactions contemplated by the Merger Agreement; and

(c) Purchaser or its permitted assignee has purchased all Shares validly tendered and not withdrawn pursuant to the Offer, except that this condition will not be applicable to the obligations of Comstock, Holdings or Purchaser if, in breach of the Merger Agreement, Purchaser fails to purchase any Shares validly tendered and not withdrawn pursuant to the Offer.

Termination. The Merger Agreement provides that it may be terminated and the Merger and the other Transactions may be abandoned at any time prior to the Effective Time, notwithstanding any requisite approval and adoption of the Merger Agreement and the transactions contemplated by the Merger Agreement by the stockholders of DevX:

(a) by mutual written consent of each of Comstock, Holdings, Purchaser and DevX duly authorized by the Boards of Directors of Comstock, Holdings, Purchaser and DevX;

(b) by any of Comstock, Holdings, Purchaser or DevX if (i) the Effective Time has not occurred on or before June 30, 2002, except that the right to terminate the Merger Agreement as described in this clause (b)(i) will not be available to any party whose failure to fulfill any obligation under the Merger Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur on or before such date, or (ii) any governmental authority has enacted, issued, promulgated, enforced or entered any injunction, order, decree or ruling that has become final and nonappealable and has the effect of making consummation of the Offer or the Merger illegal or otherwise preventing or prohibiting consummation of the Offer or the Merger;

(c) by Comstock if (i) due to an occurrence or circumstance that would result in a failure to satisfy any condition set forth in "Section 14. Certain Conditions of the Offer" hereto, Purchaser has (A) failed to commence the Offer within 30 days following the date of the Merger Agreement, (B) terminated the Offer without having accepted any Shares for payment thereunder or (C) failed to accept Shares for payment pursuant to the Offer within 90 days following the commencement of the Offer (except that the applicable time periods specified in (A) and (C) above will be extended until June 30, 2002), unless such action or inaction under (A), (B) or (C) has been caused by or resulted from the failure of Comstock, Holdings or Purchaser to perform, in any material respect, any of their covenants or agreements contained in the Merger Agreement, or the material breach by Comstock, Holdings or Purchaser of any of their representations or warranties contained in the Merger Agreement or (ii) prior to the purchase of Shares pursuant to the Offer, the Board or any committee thereof has withdrawn or modified in a manner adverse to Purchaser, Holdings or Comstock its approval or recommendation of the Merger Agreement, the Offer or the Merger, or has recommended or approved any Acquisition Proposal, or has resolved to do any of the foregoing;

(d) by DevX, upon approval of the Board, if (i) Purchaser has (x) failed to commence the Offer within seven business days following the date of the Merger Agreement, or (y) terminated the Offer without having accepted any Shares for payment thereunder, unless such action or inaction described in (x) or (y) has been caused by or resulted from a failure of DevX to perform, in any material respect, any of its material obligations or agreements contained in the Merger Agreement or the material breach by DevX of any of its material representations or warranties contained in the Merger Agreement, (ii) the Expiration Date has not occurred by January 1, 2002 (but subject to the occurrence of an extension of the Offer pursuant to the Merger Agreement), unless such failure of the Expiration Date to occur has been caused by or resulted from a failure of DevX to perform, in any material respect, any of its material obligations or agreements contained in the Merger Agreement or the material breach by DevX of any of its material representations or warranties contained in the Merger Agreement, (iii) Comstock, Holdings or Purchaser has committed a material breach of the Merger Agreement or (iv) prior to the Expiration Date, the Board determines in good faith that it is required to do so by its fiduciary duties under applicable law after having received advice from outside legal counsel in order to enter into a definitive agreement with respect to a Superior Proposal, upon two calendar days' prior written notice to Comstock, setting forth in reasonable detail the identity of the person making, and the final terms and conditions of,

the Superior Proposal (with any termination of the Merger Agreement pursuant to the provisions described in this clause (d)(iv) not being effective until DevX has made full payment of all amounts described below under the section entitled "Fees").

The Merger Agreement also provides that, in each case, the time periods and deadlines summarized above in paragraphs (c) and (d) may be extended, at the option of any party as reasonably necessitated by the occurrence of a Suspension Event for such period of time as may be reasonably necessary (but not to exceed five business days) following the conclusion of a Suspension Event, but in no event to exceed January 31, 2002. As used in the Merger Agreement, "Suspension Event" means the occurrence of any of the following: (i) any general suspension of trading in, or limitation on prices for, securities on any national securities exchange, Nasdaq or in the over-the-counter market in the United States, (ii) a declaration of a general banking moratorium or any suspension of payments in respect of banks in the United States or (iii) any limitation (whether or not mandatory) by any governmental authority on, or other event that materially and adversely affects, the extension of credit by banks or other lending institutions.

Effect of Termination. The Merger Agreement provides that in the event of the termination of the Merger Agreement, the Merger Agreement will forthwith become void, and there will be no liability on the part of any party thereto, except (i) as described below under the section entitled "Fees" and (ii) nothing in the Merger Agreement will relieve any party from liability for any intentional breach thereof prior to the date of such termination. The Confidentiality Agreement will, however, survive any termination of the Merger Agreement.

Fees. The Merger Agreement provides that if the Merger Agreement is terminated pursuant to the termination provisions described above in (c)(ii) or (d)(iv), then, in any such event, DevX will pay Comstock promptly (but in no event later than one business day after the first of such events has occurred) a fee in immediately available funds of $3,500,000 (the "Fee").

Except as described in this Section "Fees," all costs and expenses incurred in connection with the Merger Agreement and the transactions contemplated thereby will be paid by the party incurring such expenses, whether or not any transaction is consummated. If DevX fails to pay the Fee, it is also obligated to pay interest on such unpaid Fee, commencing on the date that the Fee became due, at a rate equal to the rate of interest publicly announced by Citibank, N.A., from time to time, in the City of New York, as such bank's Base Rate.

Amendment and Waiver. Subject to the provisions describe above under "DevX Board Representation," the Merger Agreement may be amended by the parties thereto by action taken by or on behalf of their respective Boards of Directors at any time prior to the Effective Time, except that, after the approval and adoption of the Merger Agreement and the transactions contemplated thereby by the stockholders of DevX, no amendment may be made that would reduce the amount or change the type of consideration into which each Share will be converted upon consummation of the Merger. Also subject to the provisions described above under "DevX Board Representation," at any time prior to the Effective Time, any party to the Merger Agreement may (a) extend the time for the performance of any obligation or other act of any other party thereto, (b) waive any inaccuracy in the representations and warranties of any other party contained therein or in any document delivered pursuant thereto and (c) waive compliance with any agreement of any other party or any condition to its own obligations contained therein.

CONFIDENTIALITY AGREEMENT

The following is a summary of certain provisions of the Confidentiality Agreement dated January 16, 2001 (the "Confidentiality Agreement") between Comstock and DevX. This summary is qualified in its entirety by reference to the Confidentiality Agreement, which is incorporated herein by reference, and a copy of which has been filed with the Commission as an exhibit to the Schedule TO. The Confidentiality Agreement may be examined and copies may be obtained at the places set forth in "Section 7. Certain Information Concerning DevX."

Comstock agreed in the Confidentiality Agreement to utilize the Confidential Information (as defined below) only for the purpose of evaluating a transaction between Comstock and DevX and preparing proposals

with respect thereto and to protect the confidentiality of the Confidential Information with the same degree of care, but in any case no less than a reasonable standard of care, as Comstock uses to protect its own Confidential Information. Comstock also agreed in the Confidentiality Agreement not to disclose the Confidential Information to any third party, with certain exceptions, and to direct all employees and third party consultants to whom Comstock provides access to the Confidential Information not to disclose such Confidential Information or the fact that any discussions or negotiations are taking place between the parties and to remain liable for any unauthorized disclosure or use of Confidential Information by such employees or third party consultants notwithstanding such direction.

The restrictions on use and disclosure of the Confidential Information set out in the Confidentiality Agreement will continue until January 16, 2003.

The parties to the Confidentiality Agreement agreed that, except with respect to the matters specifically addressed in the Confidentiality Agreement, unless and until they execute and deliver a definitive agreement concerning a transaction, (i) neither of them is under any obligation whatsoever with respect to each other whether by virtue of the Confidentiality Agreement or any other understanding or agreement, and (ii) DevX may make, entertain or solicit similar offers from third parties or conduct any process with respect thereto, except that before January 16, 2003, Comstock may not participate directly or indirectly in any transaction pertaining to any publicly traded securities of DevX that has not been approved by the Board.

For purposes of the Confidentiality Agreement, "Confidential Information" means all tangible forms of information, documents, memoranda or other materials pertaining to and prepared by or on behalf of DevX or any of its subsidiaries and affiliates, or of the business, properties and assets thereof, excluding information that (i) is or becomes generally available to the public as a result of an authorized disclosure by a party or (ii) is or becomes available to Comstock on a non-confidential basis from another source that is not bound by a confidentiality agreement with or other obligation of secrecy to or for the benefit of DevX.

11. PURPOSE OF THE OFFER; PLANS FOR DEVX AFTER THE OFFER AND THE MERGER; EFFECT ON SENIOR NOTES.

Purpose of the Offer. The Offer is being made pursuant to the Merger Agreement. The purpose of the Offer and the Merger is for Comstock to acquire control of, and the entire equity interest in, DevX. The Offer, as the first step in the acquisition of DevX, is intended to facilitate the acquisition of all of the Shares. The purpose of the Merger is for Comstock to acquire all Shares not purchased pursuant to the Offer. Upon consummation of the Merger, DevX will become an indirect wholly owned subsidiary of Comstock.

Under Delaware Law, the approval of the Board and the affirmative vote of the holders of a majority of the outstanding Shares is required to approve and adopt the Merger Agreement and the transactions contemplated thereby. The Board has determined that the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, are fair to, and in the best interest of, the holders of Shares, has approved, adopted and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, and has resolved to recommend that the holders of Shares accept the Offer and tender their Shares pursuant to the Offer. Unless the Merger is consummated pursuant to the short-form merger provisions under Delaware Law described below, the only remaining required corporate action of DevX is the approval and adoption of the Merger Agreement and the Merger by the affirmative vote of the holders of a majority of Shares. Accordingly, if the Minimum Condition is satisfied, Purchaser will have sufficient voting power to cause the approval and adoption of the Merger Agreement and the Merger without the affirmative vote of any other stockholder.

In the Merger Agreement, DevX has agreed to duly call, give notice of, convene and hold an annual or special meeting of its stockholders as promptly as practicable following consummation of the Offer for the purpose of considering and taking action on the Merger Agreement and the Transactions, including the Offer and the Merger, if such action is required by Delaware Law in order to consummate the Merger. Comstock, Holdings and Purchaser intend to vote all Shares owned by them and their subsidiaries in favor of the approval and adoption of the Merger Agreement and the Merger.

The Merger Agreement provides that, promptly upon the purchase by Purchaser of 50% of the outstanding Shares plus one Share (including Shares purchased pursuant to the Offer), Purchaser will be entitled to designate representatives to serve on the Board in proportion to Purchaser's ownership of Shares following such purchase. See "Section 10. Background of the Offer; the Merger Agreement and Related Agreements." Purchaser expects that such representation would permit Purchaser to exert substantial influence over DevX's conduct of its business and operations.

Short-Form Merger. Under Delaware Law, if Purchaser acquires, pursuant to the Offer or otherwise, at least 90% of the then outstanding Shares, Purchaser will be able to approve the Merger without a vote of DevX's stockholders. In such event, Comstock, Holdings, Purchaser and DevX have agreed in the Merger Agreement to take all necessary and appropriate action to cause the Merger to become effective as promptly as reasonably practicable after such acquisition, without a meeting of DevX's stockholders. If, however, Purchaser does not acquire at least 90% of the outstanding Shares pursuant to the Offer or otherwise and a vote of DevX's stockholders is required under Delaware Law, a significantly longer period of time would be required to effect the Merger. In such event, Purchaser may, if possible, act by written consent to approve and adopt the Merger Agreement.

Appraisal Rights. No appraisal rights are available in connection with the Offer. However, if the Merger is consummated, stockholders who have not tendered their Shares will have rights under Delaware Law to dissent from the Merger and demand appraisal of, and to receive payment in cash of the fair value of, their Shares. Stockholders who perfect such rights by complying with the procedures set forth in Section 262 of the Delaware Law ("Section 262") will have the "fair value" of their Shares (exclusive of any element of value arising from the accomplishment or expectation of the Merger) determined by the Delaware Court of Chancery and will be entitled to receive a cash payment equal to such fair value for the Surviving Corporation. In addition, such dissenting stockholders would be entitled to receive payment of a fair rate of interest from the date of consummation of the Merger on the amount determined to be the fair value of their Shares. In determining the fair value of the Shares, the court is required to take into account all relevant factors. Accordingly, such determination could be based upon considerations other than, or in addition to, the market value of the Shares, including, among other things, asset values and earning capacity. In Weinberger v. UOP, Inc., the Delaware Supreme Court stated, among other things, that "proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court" should be considered in an appraisal proceeding. The Weinberger court also noted that under Section 262, fair value is to be determined "exclusive of any element of value arising from the accomplishment or expectation of the merger." In Cede & Co. v. Technicolor, Inc., however, the Delaware Supreme Court stated that, in the context of a two-step cash merger, "to the extent that value has been added following a change in majority control before cash-out, it is still value attributable to the going concern," to be included in the appraisal process. As a consequence, the value so determined in any appraisal proceeding could be the same, more or less than the purchase price per Share in the Offer or the Merger Consideration.

In addition, several decisions by Delaware courts have held that, in some circumstances, a controlling stockholder of a company involved in a merger has a fiduciary duty to other stockholders that requires that the merger be fair to such other stockholders. In determining whether a merger is fair to minority stockholders, Delaware courts have considered, among other things, the type and amount of consideration to be received by the stockholders and whether there was fair dealing among the parties. The Delaware Supreme Court stated in Weinberger and Rabkin v. Philip A. Hunt Chemical Corp. that the remedy ordinarily available to minority stockholders in a cash-out merger is the right to appraisal described above. However, a damages remedy or injunctive relief may be available if a merger is found to be the product of procedural unfairness, including fraud, misrepresentation or other misconduct.

Comstock does not intend to object, assuming the proper procedures are followed, to the exercise of appraisal rights by any stockholder and the demand for appraisal of, and payment in cash for the fair value of, Shares. Comstock intends, however, to cause the Surviving Corporation to argue in an appraisal proceeding that, for purposes of such proceeding, the fair value of each Share is less than or equal to the Merger Consideration. In this regard, stockholders should be aware that opinions of investment banking firms as to the

fairness from a financial point of view (including FBR) are not necessarily opinions as to "fair value" under Section 262.

The foregoing summary of the rights of dissenting stockholders under Delaware Law does not purport to be a complete statement of the procedures to be followed by stockholders desiring to exercise any dissenters' rights under Delaware Law. The preservation and exercise of dissenters' rights require strict adherence to the applicable provisions of Delaware Law.

Going Private Transactions. The Commission has adopted Rule 13e-3 under the Exchange Act, which is applicable to certain "going private" transactions and which may under certain circumstances be applicable to the Merger or another business combination following the purchase of Shares pursuant to the Offer in which Purchaser seeks to acquire the remaining Shares not held by it or its affiliates. Purchaser believes that Rule 13e-3 will not be applicable to the Merger. Rule 13e-3 requires, among other things, that certain financial information concerning DevX and certain information relating to the fairness of the proposed transaction and the consideration offered to minority stockholders in such transaction be filed with the Commission and disclosed to stockholders prior to consummation of the transaction.

Plans for DevX. Except as disclosed in this Offer to Purchase, none of Comstock, Holdings or Purchaser has any present plans or proposals that would result in an extraordinary corporate transaction, such as a merger, reorganization, liquidation, purchase or sale or transfer of a material amount of assets, involving DevX or any of its subsidiaries, or any material changes in DevX's capitalization, corporate structure, business or composition of its management or the Board. Comstock will continue to evaluate and review DevX and its business, assets, corporate structure, capitalization, operations, properties, policies, management and personnel with a view towards determining how optimally to realize any potential benefits which arise from the rationalization of the operations of DevX with those of other business units and subsidiaries of Comstock. Such evaluation and review is ongoing and is not expected to be completed until after the consummation of the Offer and the Merger. If, as and to the extent that Comstock acquires control of DevX, Comstock will complete such evaluation and review of DevX and will determine what, if any, changes would be desirable in light of the circumstances and the strategic business portfolio which then exist. Such changes could include, among other things, restructuring DevX through changes in DevX's business, corporate structure, Certificate of Incorporation, By-laws, capitalization or management or could involve consolidating and streamlining certain operations and reorganizing other businesses and operations.

Comstock, Holdings, Purchaser or an affiliate of Comstock may, following the consummation or termination of the Offer, seek to acquire additional Shares through open market purchases, privately negotiated transactions, a tender offer or exchange offer or otherwise, upon such terms and at such prices as they may determine, which may be more or less than the price paid in the Offer.

Effect on Senior Notes. At September 30, 2001, $50.0 million aggregate principal amount of the Senior Notes was outstanding. The Offer is not being made for (nor will tenders be accepted of) any of the Senior Notes. Comstock may approach the holders of the Senior Notes to discuss a possible acquisition of their Senior Notes.

The Indenture provides that upon a "Change of Control" of DevX, the holders of the Senior Notes have the right, at such holder's option, pursuant to an offer (subject to the conditions required by applicable law, if any) by DevX (the "Change of Control Offer"), to require DevX to repurchase all or any party of such holder's Senior Notes (as long as the principal amount of such Senior Notes is $1,000 or an interval thereof) on a date (the "Change of Control Payment Date") that is no fewer than 30 days and no later than 60 days from the date of the Change of Control Offer, at a cash price equal to 101% of the principal amount of the Senior Notes plus accrued and unpaid interest to the Change of Control Payment Date. The consummation of the Offer on the terms described in this Offer to Purchase will constitute a Change of Control under the Indenture.

Within 30 days following the Change in Control, a written notice will be sent to the Trustee and to each holder of Senior Notes (and to beneficial owners as required by applicable law). Such notice will state, among other things, (i) that a Change of Control has occurred and a Change of Control Offer is being made pursuant

to the Indenture and that all Senior Notes (or portions thereof) properly tendered will be accepted for payment; (ii) the purchase price and the Change of Control Payment Date; (iii) that any Senior Note (or portion thereof) accepted for payment (and duly paid on the Change of Control Payment Date) pursuant to the Change of Control Offer will cease to accrue interest on the Change of Control Payment Date; (iv) that any Senior Notes (or portion thereof) not properly tendered will continue to accrue interest; (v) a description of the transaction or transactions constituting the Change of Control; (vi) the procedures that holders of Senior Notes must follow in order to tender their Senior Notes (or portions thereof) for payment and the procedures that holders of Senior Notes must follow in order to withdraw an election to tender Senior Notes (or portions thereof) for payment; and (vii) all other instructions and material necessary to enable holders to tender Senior Notes pursuant to the Change of Control Offer.

12. DIVIDENDS AND DISTRIBUTIONS.

The Merger Agreement provides that DevX will not, between the date of the Merger Agreement and the Effective Time, without the prior written consent of Comstock, (a) issue (other than upon the exercise of options or warrants previously granted to current or former officers, employees or directors of DevX), purchase, redeem, sell, pledge, dispose of, grant, encumber, or authorize the issuance, sale, pledge, disposition, grant or encumbrance of any shares of any class of capital stock of DevX or any of its subsidiaries, or any options, warrants, convertible securities or other rights of any kind to acquire any shares of such capital stock, or any other ownership interest (including, without limitation, any phantom interest), of DevX or any of its subsidiaries; (b) with certain exceptions, sell, transfer, assign, dispose of or encumber any assets of DevX or any of its subsidiaries, or enter into any agreement or commitment with respect to assets of DevX or its subsidiaries, other than in the ordinary course consistent with past good business practice; (c) with certain exceptions, sell, transfer, assign, dispose of or encumber any of DevX's oil and gas properties or enter into any agreement or commitment with respect to any such sale, assignment, disposition or encumbrance; (d) acquire or agree to acquire any assets other than in the ordinary course and consistent with past business practice; (e) declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of its capital stock, except for dividends by any direct or indirect wholly owned subsidiary to DevX or any other subsidiary; or (f) split, combine, reclassify, subdivide or redeem, or purchase or otherwise acquire, directly or indirectly, any of its capital stock. See "Section 10. Background of the Offer; the Merger Agreement and Related Agreements."

13. POSSIBLE EFFECTS OF THE OFFER ON THE MARKET FOR SHARES, NASDAQ LISTING, MARGIN REGULATIONS AND EXCHANGE ACT REGISTRATION.

Possible Effects of the Offer on the Market for the Shares. The purchase of Shares by Purchaser in the Offer will reduce the number of Shares that might otherwise trade publicly and will reduce the number of holders of Shares, which could adversely affect the liquidity and market value of the remaining Shares held by the public.

Comstock intends to cause the delisting of the Shares from Nasdaq following consummation of the Offer.

Nasdaq Listing. Depending upon the number of Shares purchased pursuant to the Offer, the Shares may no longer meet the standards for continued listing on Nasdaq. According to Nasdaq's published guidelines, Shares would not be eligible to be included for listing if, among other things, the number of Shares publicly held falls below 500,000, the number of beneficial owners of Shares falls below 300 or the market value of such publicly held Shares is not at least $1,000,000. If, as a result of the purchase of Shares pursuant to the Offer, the Merger or otherwise, the Shares no longer meet the requirements of Nasdaq for continued listing, the listing of the Shares will be discontinued. In such event, the market for the Shares would be adversely affected. In the event the Shares were no longer eligible for listing on Nasdaq, quotations might still be available from other sources. The extent of the public market for the Shares and the availability of such quotations would, however, depend upon the number of holders of such Shares remaining at such time, the interest in maintaining a market in such Shares on the part of securities firms, the possible termination of registration of such Shares under the Exchange Act as described below and other factors.

Exchange Act Registration. The Shares are currently registered under the Exchange Act. Such registration may be terminated upon application by DevX to the Commission if the Shares are not listed on a "national securities exchange" and there are fewer than 300 record holders. The termination of the registration of the Shares under the Exchange Act would substantially reduce the information required to be furnished by DevX to holders of Shares and to the Commission and would make certain provisions of the Exchange Act, such as the short-swing profit recovery provisions of Section 16(b), the requirement of furnishing a proxy statement in connection with stockholders' meetings pursuant to Section 14(a) or 14(c) of the Exchange Act and the related requirements of an annual report, and the requirements of Rule 13e-3 under the Exchange Act with respect to "going private" transactions, no longer applicable to the Shares. In addition, "affiliates" of DevX and persons holding "restricted securities" of DevX may be deprived of the ability to dispose of such securities pursuant to Rule 144 promulgated under the Securities Act of 1933, as amended. If registration of the Shares under the Exchange Act were terminated, the Shares would no longer be eligible for Nasdaq reporting. Purchaser currently intends to seek to cause DevX to terminate the registration of the Shares under the Exchange Act as soon after consummation of the Offer as the requirements for termination of registration are met.

Margin Regulations. The Shares are currently "margin securities," as such term is defined under the rules of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"), which has the effect, among other things, of allowing brokers to extend credit on the collateral of such securities. Depending upon factors similar to those described above regarding listing and market quotations, following the Offer it is possible that the Shares might no longer constitute "margin securities" for purposes of the margin regulations of the Federal Reserve Board, in which event such Shares could no longer be used as collateral for loans made by brokers. In addition, if registration of the Shares under the Exchange Act were terminated, such Shares would no longer constitute "margin securities."

14. CERTAIN CONDITIONS OF THE OFFER.

Notwithstanding any other provision of the Offer, Purchaser is not required to accept for payment any Shares tendered pursuant to the Offer, and may extend, terminate or amend the Offer if (i) immediately prior to the expiration of the Offer, the Minimum Condition has not been satisfied, or (ii) at any time on or after the date of the Merger Agreement and prior to the Expiration Date, any of the following conditions exist:

(a) there has been instituted or be pending any Action by any governmental authority (i) challenging or seeking to make illegal, delay, or otherwise, directly or indirectly, restrain or prohibit or make materially more costly, the making of the Offer, the acceptance for payment of any Shares by Comstock, Holdings, Purchaser or any other affiliate of Comstock, or the consummation of any other transaction contemplated by the Merger Agreement, or seeking to obtain damages in connection with any transaction contemplated by the Merger Agreement; (ii) seeking to prohibit or limit the ownership or operation by DevX, Comstock or any of their subsidiaries of all or any of the business or assets of DevX, Comstock or any of their subsidiaries or to compel DevX, Comstock or any of their subsidiaries, as a result of the Offer or the Merger, to dispose of or to hold separate all or any portion of the business or assets of DevX, Comstock or any of their subsidiaries; (iii) seeking to impose or confirm any limitation on the ability of Comstock, Holdings, Purchaser or any other affiliate of Comstock to exercise effectively full rights of ownership of any Shares, including, without limitation, the right to vote any Shares acquired by Purchaser pursuant to the Offer or otherwise on all matters properly presented to DevX's stockholders, including, without limitation, the approval and adoption of the Merger Agreement and the transactions contemplated thereby; (iv) seeking to require divestiture by Comstock, Holdings, Purchaser or any other affiliate of Comstock of any Shares; or (v) that otherwise is likely to materially and adversely affect Comstock or have a material adverse effect on DevX;

(b) any governmental authority or court of competent jurisdiction has issued an order, decree, injunction or ruling or taken any other action (i) permanently restraining, enjoining or otherwise prohibiting or preventing the Offer or the Merger and such order, decree, injunction, ruling or other action shall have become final and non-appealable, or (ii) that is reasonably likely to result, directly or indirectly, in any of the consequences described in clause (i) through (v) of paragraph (a) above;

(c) there has been any statute, rule, regulation, legislation or interpretation enacted, promulgated, amended, issued or deemed applicable to (i) Comstock, DevX or any subsidiary or affiliate of Comstock or DevX or (ii) any transaction contemplated by the Merger Agreement, by any United States legislative body or governmental authority with appropriate jurisdiction, that is reasonably likely to result, directly or indirectly, in any of the consequences described in clauses (i) through (v) of paragraph (a) above;

(d) (i) the Board, or any committee thereof, has withdrawn or modified, in a manner adverse to Comstock, Holdings or Purchaser, the approval or recommendation of the Offer, the Merger, the Agreement, or approved or recommended any Acquisition Proposal or any other acquisition of Shares other than the Offer, the Merger or (ii) the Board, or any committee thereof, has resolved to do any of the foregoing;

(e) (i) any representation or warranty of DevX in the Merger Agreement that is qualified as to material adverse effect is not true and correct as so qualified or (ii) any representation or warranty that is not so qualified is not true and correct (except where the failure to be true and correct would not have a material adverse effect on DevX or any subsidiary of DevX), in each case as if such representation or warranty was made as of such time on or after the date of the Merger Agreement (except as to any representation or warranty made as of a specified date);

(f) DevX has failed to perform, in any material respect, any obligation or to comply, in any material respect, with any agreement or covenant of DevX to be performed or complied with by it under the Merger Agreement; or

(g) the Merger Agreement has been terminated in accordance with its terms.

The foregoing conditions are for the sole benefit of Purchaser, Holdings and Comstock and may be asserted by Purchaser, Holdings or Comstock regardless of the circumstances giving rise to any such condition or may be waived by Purchaser, Holdings or Comstock in whole or in part at any time and from time to time in their sole discretion. The failure by Comstock, Holdings or Purchaser at any time to exercise any of the foregoing rights will not be deemed a waiver of any such right; the waiver of any such right with respect to particular facts and other circumstances will not be deemed a waiver with respect to any other facts and circumstances; and each such right will be deemed an ongoing right that may be asserted at any time and from time to time.

15. CERTAIN LEGAL MATTERS AND REGULATORY APPROVALS.

General. Based upon Purchaser's review of publicly available information regarding DevX and the review of information furnished by DevX to Comstock and discussions between representatives of Comstock and representatives of DevX (see "Section 10. Background of the Offer; the Merger Agreement and Related Agreements"), none of Purchaser, Holdings or Comstock is aware of (i) any license or other regulatory permit that appears to be material to the business of DevX or any of its subsidiaries, taken as a whole, which might be adversely affected by the acquisition of Shares by Purchaser pursuant to the Offer or (ii) except as described below, of any approval or other action by any domestic (federal or state) or foreign Governmental Authority that would be required prior to the acquisition of Shares by Purchaser pursuant to the Offer. Should any such approval or other action be required, it is Purchaser's present intention to seek such approval or action. Purchaser does not currently intend, however, to delay the purchase of Shares tendered pursuant to the Offer pending the outcome of any such action or the receipt of any such approval (subject to Purchaser's right to decline to purchase Shares if any of the conditions in "Section 14. Certain Conditions of the Offer" have occurred). There can be no assurance that any such approval or other action, if needed, would be obtained without substantial conditions or that adverse consequences might not result to the business of DevX, Comstock, Holdings or Purchaser or that certain parts of the business of DevX, Comstock, Holdings or Purchaser might not have to be disposed of or held separate or other substantial conditions complied with in order to obtain such approval or other action or in the event that such approval was not obtained or such other action was not taken. Purchaser's obligation under the Offer to accept for payment and pay for Shares is subject to certain conditions, including conditions relating to the legal matters discussed in this "Section 15.

Certain Legal Matters and Regulatory Approvals." See "Section 14. Certain Conditions of the Offer" for certain conditions of the Offer.

State Takeover Laws. DevX is incorporated under the laws of the State of Delaware. In general, Section 203 of the Delaware Law prevents an "interested stockholder" (generally a person who owns or has the right to acquire 15% or more of a corporation's outstanding voting stock, or an affiliate or associate thereof) from engaging in a "business combination" (defined to include mergers and certain other transactions) with a Delaware corporation for a period of three years following the date such person became an interested stockholder unless, among other things, prior to such date the board of directors of the corporation approved either the business combination or the transaction in which the interested stockholder became an interested stockholder. On November 4, 2001, prior to the execution of the Merger Agreement, the Board approved the Merger Agreement, determined that each of the Offer and the Merger is fair to, and in the best interest of, the stockholders of DevX. Accordingly, Section 203 is inapplicable to the Offer and the Merger.

A number of other states have adopted laws and regulations applicable to attempts to acquire securities of corporations which are incorporated, or have substantial assets, stockholders, principal executive offices or principal places of business, or whose business operations otherwise have substantial economic effects, in such states. In Edgar v. MITE Corp., the Supreme Court of the United States invalidated on constitutional grounds the Illinois Business Takeover Statute, which, as a matter of state securities law, made takeovers of corporations meeting certain requirements more difficult. However, in 1987, in CTS Corp. v. Dynamics Corp. of America, the Supreme Court of the United States held that the State of Indiana may, as a matter of corporate law and, in particular, with respect to those aspects of corporate law concerning corporate governance, constitutionally disqualify a potential acquiror from voting on the affairs of a target corporation without the prior approval of the remaining stockholders. The state law before the Supreme Court was by its terms applicable only to corporations that had a substantial number of stockholders in the state and were incorporated there.

DevX, directly or through its subsidiaries, conducts business in a number of states throughout the United States, some of which have enacted takeover laws. Purchaser does not know whether any of these laws will, by their terms, apply to the Offer or the Merger and it has not complied with any such laws. Should any person seek to apply any state takeover law, Purchaser will take such action as then appears desirable, which may include challenging the validity or applicability of any such statute in appropriate court proceedings. In the event it is asserted that one or more state takeover laws is applicable to the Offer or the Merger, and an appropriate court does not determine that it is inapplicable or invalid as applied to the Offer, Purchaser might be required to file information with, or receive approvals from, the relevant state authorities. In addition, if enjoined, Purchaser might be unable to accept for payment any Shares tendered pursuant to the Offer, or be delayed in continuing or consummating the Offer, and the Merger. In such case, Purchaser may not be obligated to accept for payment any Shares tendered. See "Section 14. Certain Conditions of the Offer."

Antitrust Compliance. Comstock, Holdings, Purchaser and DevX believe that the Offer and the Merger may be consummated without notification being given or information being furnished to the Federal Trade Commission (the "FTC") or the Antitrust Division of the Department of Justice (the "Antitrust Division") pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and that no waiting period requirements under the HSR Act are applicable to the Offer or the Merger. At any time, however, before or after the purchase of Shares pursuant to the Offer, the FTC or the Antitrust Division could take such action under the antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin the purchase of Shares pursuant to the Offer or seeking the divestiture of Shares purchased by Purchaser or the divestiture of substantial assets of Comstock, DevX or their respective subsidiaries. Private parties and state attorneys general may also bring legal action under federal or state antitrust laws under certain circumstances. Based upon an examination of information available to Comstock relating to the businesses in which Comstock, DevX and their respective subsidiaries are engaged, Comstock, Holdings and Purchaser believe that the Offer will not violate the antitrust laws. Nevertheless, there can be no assurance that a challenge to the Offer on antitrust grounds will not be made or, if such a challenge is made,

what the result would be. See "Section 14. Certain Conditions of the Offer" for certain conditions to the Offer, including conditions with respect to litigation.

16. FEES AND EXPENSES.

Except as set forth below, Purchaser will not pay any fees or commissions to any broker, dealer or other person for soliciting tenders of Shares pursuant to the Offer.

Purchaser, Holdings and Comstock have retained Innisfree M&A Incorporated as the Information Agent, and American Stock Transfer & Trust Company as the Depositary, in connection with the Offer and the Merger. The Information Agent may contact holders of Shares by mail, telephone, telex, telecopy, telegraph and personal interview and may request banks, brokers, dealers and other nominee stockholders to forward materials relating to the Offer to beneficial owners of Shares. As compensation for acting as Information Agent in connection with the Offer and the Merger, Purchaser will pay the Information Agent reasonable and customary compensation for its services in connection with the Offer and the Merger, plus reimbursement for out-of-pocket expenses, and will indemnify the Information Agent against certain liabilities and expenses in connection therewith, including certain liabilities under the federal securities laws.

Purchaser will pay the Depositary reasonable and customary compensation for its services in connection with the Offer, plus reimbursement for out-of-pocket expenses, and will indemnify the Depositary against certain liabilities and expenses in connection therewith, including under federal securities laws. Brokers, dealers, commercial banks and trust companies will be reimbursed by Purchaser for customary handling and mailing expenses incurred by them in forwarding material to their customers.

17. MISCELLANEOUS.

The Offer is being made solely by this Offer to Purchase and the related Letter of Transmittal and is being made to holders of Shares. Purchaser is not aware of any jurisdiction where the making of the Offer or the acceptance of Shares pursuant thereto is prohibited by any administrative or judicial action or by any valid state statute. If Purchaser becomes aware of any valid state statute prohibiting the making of the Offer or the acceptance of Shares pursuant thereto, Purchaser will make a good faith effort to comply with any such state statute. If, after such good faith effort, Purchaser cannot comply with any such state statute, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the holders of Shares in such state. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on behalf of Purchaser by the one or more registered brokers or dealers licensed under the laws of such jurisdiction.

Purchaser has not authorized any person to give any information or make any representation on its behalf not contained in this Offer to Purchase or in the Letter of Transmittal, and if given or made, holders of Shares should not rely on such information or representation as having been authorized.

Pursuant to Rule 14d-3 of the General Rules and Regulations under the Exchange Act, Comstock, Holdings and Purchaser have filed with the Commission the Schedule TO, together with exhibits, furnishing certain additional information with respect to the Offer. The Schedule TO and any amendments thereto, including exhibits, may be inspected at, and copies may be obtained from, the same places and in the same manner as set forth in "Section 11. Certain Information Concerning DevX" (except that they will not be available at the regional offices of the Commission).

COMSTOCK ACQUISITION INC.

Dated: November 15, 2001

SCHEDULE I

INFORMATION CONCERNING THE DIRECTORS AND EXECUTIVE OFFICERS
OF COMSTOCK, HOLDINGS AND PURCHASER

DIRECTORS AND EXECUTIVE OFFICERS OF COMSTOCK

The following table sets forth the name and present principal occupation or employment, and material occupations, positions, offices or employments and business addresses thereof for the past five years of each director and executive officer of Comstock. The current business address of each person is c/o Comstock Resources, Inc., 5300 Town and Country Blvd., Suite 500, Frisco, Texas 75034. Each such person is a citizen of the United States of America.

NAME	MATERIAL POSITIONS HELD AND OFFICES HELD WITH COMSTOCK DURING THE PAST FIVE YEARS
M. Jay Allison	President, Chief Executive Officer and Director of Comstock since 1987, Chairman of the Board of Directors President and Chief Executive Officer of Comstock since 1988 and Chairman of the Board of Directors of Comstock since 1997.
Roland O. Burns	Director, Senior Vice President, Chief Director of Comstock since 1999 Financial Officer, Secretary and and Senior

Vice President of Treasurer Comstock since 1994.

Cecil E. Martin, Jr. Director Director of Comstock since 1988. An independent commercial real estate developer since 1991.

David W. Sledge Director Director of Comstock since 1996. An investor in oil and gas activities since 1996.

David K. Lockett Director Director of Comstock since July 2001. Employed by Dell Computer Corporation since 1991, and currently serves as a vice president and head of its Small and Medium Business Group.

DIRECTORS AND EXECUTIVE OFFICERS OF HOLDINGS

The following table sets forth the name and present principal occupation or employment, and material occupations, positions, offices or employments and business addresses thereof for the past five years of each director and executive officer of Holdings. The current business address of each person is c/o Comstock Resources, Inc., 5300 Town and Country Blvd., Suite 500, Frisco, Texas 75034. Each such person is a citizen of the United States of America.

NAME	POSITIONS AND OFFICES HELD WITH HOLDINGS	MATERIAL POSITIONS HELD DURING THE PAST FIVE YEARS
M. Jay Allison	President and Director	Director of Comstock since 1987, President and Chief Executive Officer of Comstock since 1988 and Chairman of the Board of Directors of Comstock since 1997.
Roland O. Burns	Vice President, Secretary and Treasurer	Director of Comstock since 1999 and Director and Senior Vice President of Comstock since 1994.

	Director and Vice President, Secretary and Treasurer of Holdings since November 5, 2001.

DIRECTORS AND EXECUTIVE OFFICERS OF PURCHASER

The following table sets forth the name and present principal occupation or employment, and material occupations, positions, offices or employments and business addresses thereof for the past five years of each director and executive officer of Purchaser. The current business address of each person is c/o Comstock Resources, Inc., 5300 Town and Country Blvd., Suite 500, Frisco, Texas 75034. Each such person is a citizen of the United States of America.

NAME	MATERIAL POSITIONS HELD POSITIONS AND OFFICES HELD WITH PURCHASER DURING THE PAST FIVE YEARS
M. Jay Allison	President and Director Director of Comstock since 1987, President and Chief Executive Officer of Comstock since 1988 and Chairman of the Board of Directors of Comstock since 1997. Director and President of Purchaser since November 5, 2001.
Roland O. Burns	Vice President, Secretary and Treasurer Director of Comstock

since 1999 and Director and Senior Vice President of Comstock since 1994.

Director and Vice President, Secretary and Treasurer of Purchaser since November 5, 2001.

The Letter of Transmittal, manually signed, and certificates evidencing Shares and any other required documents should be sent or delivered by each stockholder or such stockholder's broker, dealer, commercial bank, trust company or other nominee to the Depositary at its address set forth below

The Depositary for the Offer is:

AMERICAN STOCK TRANSFER & TRUST COMPANY

By First Class Mail, by Overnight Courier or by Hand:
American Stock Transfer & Trust Company
59 Maiden Lane
New York, NY 10038

By Facsimile Transmission
for Eligible Institutions only:
(718) 234-5001

Confirm by Telephone:
(718) 921-8200

Questions or requests for assistance may be directed to the Information Agent at its address and telephone number listed below. Additional copies of this Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Information Agent. A stockholder may also contact brokers, dealers, commercial banks or trust companies for assistance concerning the Offer.

The Information Agent for the Offer is:

[INNISFREE LOGO]
501 Madison Avenue, 20th Floor
New York, NY 10022
Call Toll Free: (888) 750-5834
Banks and Brokers Call Collect: (212) 750-5833

EXHIBIT (a)(2)

LETTER OF TRANSMITTAL
TO TENDER SHARES OF COMMON STOCK

OF

DEVX ENERGY, INC.
AT
$7.32 NET PER SHARE

PURSUANT TO THE OFFER TO PURCHASE
DATED NOVEMBER 15, 2001

BY

COMSTOCK ACQUISITION INC.,
AN INDIRECT WHOLLY OWNED SUBSIDIARY OF

COMSTOCK RESOURCES, INC.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, DECEMBER 13, 2001, UNLESS THE OFFER IS EXTENDED.

The Depositary for the Offer is:
AMERICAN STOCK TRANSFER & TRUST COMPANY

By First Class Mail, by Overnight Courier or by Hand:
American Stock Transfer & Trust Company
59 Maiden Lane
New York, NY 10038

By Facsimile Transmission
for Eligible Institutions only:
(718) 234-5001

Confirm by Telephone:
(718) 921-8200

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS, OTHER THAN AS SET FORTH ABOVE, WILL NOT CONSTITUTE A VALID DELIVERY.

THE INSTRUCTIONS ACCOMPANYING THIS LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

DESCRIPTION OF SHARES TENDERED

NAME(S) AND ADDRESS(ES) OF REGISTERED HOLDER(S) (PLEASE FILL IN, IF BLANK, EXACTLY AS NAME(S) APPEAR ON SHARE CERTIFICATE(S))	SHARE CERTIFICATE(S) AND SHARE(S) TENDERED (ATTACH ADDITIONAL LIST IF NECESSARY)		
	SHARE CERTIFICATE NUMBER(S)*	TOTAL NUMBER OF SHARES REPRESENTED BY CERTIFICATE(S)*	NUMBER OF SHARES TENDERED**
	TOTAL SHARES		

* Need not be completed by stockholders tendering by book-entry transfer.
** Unless otherwise indicated, it will be assumed that all Shares represented by any certificates delivered to the Depositary are being tendered. See Instruction 4.

This Letter of Transmittal is to be completed by stockholders of DevX Energy, Inc. either if certificates evidencing Shares (as defined below) are to be forwarded herewith or if delivery of Shares is to be made by book-entry transfer to an account maintained by the Depositary at the Book-Entry Transfer Facility (as defined in "Section 2. Acceptance for Payment and Payment for Shares" of the Offer to Purchase and pursuant to the procedures set forth in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase). Delivery of documents to the Book-Entry Transfer Facility does not constitute delivery to the Depositary.

Stockholders whose certificates evidencing Shares ("Share Certificates") are not immediately available or who cannot deliver their Share Certificates and all other documents required hereby to the Depositary prior to the Expiration Date (as defined in "Section 1. Terms of the Offer; Expiration Date" of the Offer to Purchase) or who cannot complete the procedure for delivery by book-entry transfer on a timely basis and who wish to tender their Shares must do so pursuant to the guaranteed delivery procedure described in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase. See Instruction 2.

[ ]CHECK HERE IF SHARES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER TO THE DEPOSITARY'S ACCOUNT AT THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING:

Name of Tendering Institution:

Account Number:

Transaction Code Number:

[ ]CHECK HERE IF SHARES ARE BEING TENDERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE DEPOSITARY AND COMPLETE THE FOLLOWING:

Name(s) of Registered Holder(s):

Window Ticket No. (if any):

Date of Execution of Notice of Guaranteed Delivery:

Name of Institution that Guaranteed Delivery:

If delivery is by book-entry transfer, give the following information:

Account Number:

Transaction Code Number:

NOTE: YOU MUST SIGN THIS LETTER OF TRANSMITTAL IN THE APPROPRIATE SPACE BELOW AND COMPLETE THE SUBSTITUTE FORM W-9 SET FORTH BELOW. PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY.

Ladies and Gentlemen:

The undersigned hereby tenders to Comstock Acquisition Inc., a Delaware corporation ("Purchaser") and a wholly owned subsidiary of Comstock Holdings, Inc., a Delaware corporation, which, in turn is a wholly owned subsidiary of Comstock Resources, Inc., a Nevada corporation, the above-described shares of common stock, par value $0.234 per share ("Shares"), of DevX Energy, Inc., a Delaware corporation ("DevX"), pursuant to Purchaser's offer to purchase all the issued and outstanding Shares at $7.32 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions described in the Offer to Purchase dated November 15, 2001 (the "Offer to Purchase"), receipt of which is hereby acknowledged, and in this Letter of Transmittal (which, together with the Offer to Purchase and any amendments or supplements hereto or thereto, collectively constitute the "Offer"). The undersigned understands that Purchaser reserves the right to transfer or assign, in whole or from time to time in part, to one or more of its affiliates, the right to purchase all or any portion of the Shares tendered pursuant to the Offer.

Upon the terms and subject to the conditions of the Offer (and if the Offer is extended or amended, the terms of any such extension or amendment), and subject to, and effective upon, acceptance for payment of Shares tendered herewith, in accordance with the terms of the Offer, the undersigned hereby sells, assigns and

transfers to or upon the order of Purchaser all right, title and interest in and to all Shares that are being tendered hereby and all dividends, distributions (including, without limitation, distributions of additional Shares) and rights declared, paid or distributed in respect of such Shares on or after November 12, 2001 (collectively, "Distributions") and irrevocably appoints the Depositary the true and lawful agent and attorney-in-fact of the undersigned with respect to such Shares (and all Distributions), with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), to (i) deliver Share Certificates evidencing such Shares (and all Distributions), or transfer ownership of such Shares (and all Distributions) on the account books maintained by the Book-Entry Transfer Facility, together, in either case, with all accompanying evidences of transfer and authenticity, to or upon the order of Purchaser, (ii) present such Shares (and all Distributions) for transfer on the books of DevX and (iii) receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares (and all Distributions), all in accordance with the terms of the Offer.

By executing this Letter of Transmittal, the undersigned hereby irrevocably appoints M. Jay Allison and Roland O. Burns, and each of them, as the attorneys and proxies of the undersigned, each with full power of substitution, to vote in such manner as each such attorney and proxy or his substitute, in his sole discretion, deems proper and otherwise act (by written consent or otherwise) with respect to all Shares tendered hereby which have been accepted for payment by Purchaser prior to the time of such vote or other action and all Shares and other securities issued in Distributions in respect of such Shares, which the undersigned is entitled to vote at any meeting of stockholders of DevX (whether annual or special and whether or not an adjourned or postponed meeting) or consent in lieu of any such meeting or otherwise. This proxy and power of attorney is coupled with an interest in Shares tendered hereby, is irrevocable and is granted in consideration of, and is effective upon, the acceptance for payment of such Shares by Purchaser in accordance with other terms of the Offer. Such acceptance for payment will revoke all other proxies and powers of attorney granted by the undersigned at any time with respect to such Shares (and all Shares and other securities issued in Distributions in respect of such Shares), and no subsequent proxies, powers of attorney, consents or revocations may be given by the undersigned with respect thereto (and if given will not be deemed effective). The undersigned understands that, in order for Shares or Distributions to be deemed validly tendered, immediately upon Purchaser's acceptance of such Shares for payment, Purchaser must be able to exercise full voting and other rights with respect to such Shares (and any and all Distributions), including, without limitation, voting at any meeting of DevX's stockholders then scheduled.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer Shares tendered hereby and all Distributions, that when such Shares are accepted for payment by Purchaser, Purchaser will acquire good, marketable and unencumbered title thereto and to all Distributions, free and clear of all liens, restrictions, charges and encumbrances, and that none of such Shares and Distributions will be subject to any adverse claim. The undersigned, upon request, will execute and deliver all additional documents deemed by the Depositary or Purchaser to be necessary or desirable to complete the sale, assignment and transfer of Shares tendered hereby and all Distributions. In addition, the undersigned will remit and transfer promptly to the Depositary for the account of Purchaser all Distributions in respect of Shares tendered hereby, accompanied by appropriate documentation of transfer, and pending such remittance and transfer or appropriate assurance thereof, Purchaser will be entitled to all rights and privileges as owner of each such Distribution and may withhold the entire purchase price of Shares tendered hereby, or deduct from such purchase price, the amount or value of such Distribution as determined by Purchaser in its sole discretion.

No authority herein conferred or agreed to be conferred will be affected by, and all such authority will survive, the death or incapacity of the undersigned. All obligations of the undersigned hereunder will be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Except as stated in the Offer to Purchase, this tender is irrevocable.

The undersigned understands that the valid tender of Shares pursuant to any one of the procedures described in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase and in the Instructions hereto will constitute the undersigned's acceptance of the terms and conditions of the Offer. Purchaser's acceptance of such Shares for payment will constitute a binding agreement between the undersigned and Purchaser upon the terms and subject to the conditions of the Offer (and if the Offer is extended or amended, the terms or conditions of any such extension or amendment).

Unless otherwise indicated below in the box entitled "Special Payment Instructions," please issue the check for the purchase price of all Shares purchased and return all Share Certificates evidencing Shares not tendered or not accepted for payment in the name(s) of the registered holder(s) appearing above under "Description of Shares Tendered." Similarly, unless otherwise indicated below in the box entitled "Special Delivery Instructions," please mail the check for the purchase price of all Shares purchased and return all Share Certificates evidencing Shares not tendered or not accepted for payment (and accompanying documents, as appropriate) to the address(es) of the registered holder(s) appearing above under "Description of Shares Tendered" on the cover page hereof. In the event that the boxes on page 5 hereof entitled "Special Payment Instructions" and "Special Delivery Instructions" are both completed, please issue the check for the purchase price of all Shares purchased and return all Share Certificates evidencing Shares not tendered or not accepted for payment in the name(s) of, and deliver such check and return such Share Certificates (and any accompanying documents, as appropriate) to, the person(s) so indicated. Unless otherwise indicated below in the box entitled "Special Payment Instructions," please credit any Shares tendered hereby and delivered by book-entry transfer that are not accepted for payment by crediting the account at the Book-Entry Transfer Facility designated above. The undersigned recognizes that Purchaser has no obligation, pursuant to the Special Payment Instructions, to transfer any Shares from the name of the registered holder(s) thereof if Purchaser does not accept for payment any Shares tendered hereby.

SPECIAL PAYMENT INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if the check for the purchase price of Shares purchased or Share Certificates not tendered or not purchased are to be issued in the name of someone other than the undersigned.

Issue [ ] check
[ ] certificates to:

Name ----------
(Please Print)

Address ----------

(Zip Code)

(Taxpayer Identification No.)

SPECIAL DELIVERY INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if the check for the purchase price of Shares purchased or Share Certificates not tendered or not purchased are to be mailed to someone other than the undersigned or to the undersigned at an address other than that shown below the undersigned's signature(s).

Issue [ ] check
[ ] certificates to:

Name ----------
(Please Print)

Address ----------

(Zip Code)

(Taxpayer Identification No.)

SIGN HERE
(PLEASE COMPLETE SUBSTITUTE FORM W-9 BELOW)

- ----------

- ----------

SIGNATURE(S) OF HOLDER(S)

Dated

- ----------, 200

- ---

(MUST BE SIGNED BY REGISTERED HOLDER(S) EXACTLY AS NAME(S) APPEAR ON SHARE CERTIFICATES OR ON A SECURITY POSITION LISTING BY PERSON(S) AUTHORIZED TO BECOME REGISTERED HOLDER(S) BY CERTIFICATES AND DOCUMENTS TRANSMITTED HEREWITH. IF SIGNATURE IS BY A TRUSTEE, EXECUTOR, ADMINISTRATOR, GUARDIAN, ATTORNEY-IN-FACT, OFFICER OF A CORPORATION OR OTHER PERSON ACTING IN A FIDUCIARY CAPACITY, PLEASE PROVIDE THE FOLLOWING INFORMATION AND SEE INSTRUCTION 5.)

Name(s) ----------

- ----------

(PLEASE TYPE OR PRINT)

Capacity (full title) ----------

Address ----------

- ----------

(INCLUDE ZIP CODE)

Daytime Area Code and Telephone Number ----------

Taxpayer Identification or Social Security Number ----------

(See Substitute W-9 on Reverse Side)

GUARANTEE OF SIGNATURE(S)
(SEE INSTRUCTIONS 1 AND 5)

FOR USE BY FINANCIAL INSTITUTIONS ONLY.
FINANCIAL INSTITUTIONS: PLACE MEDALLION GUARANTEE IN SPACE BELOW

Name of Firm ----------

Authorized Signature ----------

Address ----------

- ----------

Area Code and Telephone Number ----------

Dated

- ----------, 200

- ---

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. Guarantee of Signatures. All signatures on this Letter of Transmittal must be guaranteed by a firm which is a member of the Security Transfer Agent Medallion Signature Program, or by any other "eligible guarantor institution," as such term is defined in Rule 17Ad-15 promulgated under the Securities Exchange Act of 1934, as amended (each of the foregoing being an "Eligible Institution") unless (i) this Letter of Transmittal is signed by the registered holder(s) of Shares (which term, for purposes of this document, will include any participant in the Book-Entry Transfer Facility whose name appears on a security position listing as the owner of Shares) tendered hereby and such holder(s) has (have) not completed the box entitled "Special Payment Instructions" or "Special Delivery Instructions" on page 5 hereof or (ii) such Shares are tendered for the account of an Eligible Institution. See Instruction 5.

2. Delivery of Letter of Transmittal and Share Certificates. This Letter of Transmittal is to be used either if Share Certificates are to be forwarded herewith or if tenders are to be made pursuant to the procedures for tenders by book-entry transfer pursuant to the procedure set forth in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase. Share Certificates evidencing all physically tendered Shares, or a confirmation of a book-entry transfer into the Depositary's account at the Book-Entry Transfer Facility of all Shares delivered by book-entry transfer, as well as a properly completed and duly executed Letter of Transmittal and any other documents required by this Letter of Transmittal, must be received by the Depositary at its address set forth below prior to the Expiration Date (as defined in "Section 1. Terms of the Offer; Expiration Date" of the Offer to Purchase). If Share Certificates are forwarded to the Depositary in multiple deliveries, a properly completed and duly executed Letter of Transmittal must accompany each such delivery. Stockholders whose Share Certificates are not immediately available, who cannot deliver their Share Certificates and all other required documents to the Depositary prior to the Expiration Date or who cannot complete the procedure for delivery by book-entry transfer on a timely basis may tender their Shares pursuant to the guaranteed delivery procedure described in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase. Pursuant to such procedure: (i) such tender must be made by or through an Eligible Institution; (ii) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by Purchaser, must be received by the Depositary prior to the Expiration Date; and (iii) the Share Certificates evidencing all physically delivered Shares in proper form for transfer by delivery, or a confirmation of a book-entry transfer into the Depositary's account at the Book-Entry Transfer Facility of all Shares delivered by book-entry transfer, in each case together with a Letter of Transmittal, properly completed and duly executed, with any required signature guarantees (or in the case of a book-entry transfer, an Agent's Message (as defined in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase)) and any other documents required by this Letter of Transmittal, must be received by the Depositary within three Nasdaq National Market trading days after the date of execution of such Notice of Guaranteed Delivery, all as described in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase.

THE METHOD OF DELIVERY OF THIS LETTER OF TRANSMITTAL, SHARE CERTIFICATES AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH THE BOOK-ENTRY TRANSFER FACILITY, IS AT THE OPTION AND RISK OF THE TENDERING STOCKHOLDER, AND THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE DEPOSITARY. IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

No alternative, conditional or contingent tenders will be accepted and no fractional Shares will be purchased. By execution of this Letter of Transmittal, all tendering stockholders waive any right to receive any notice of the acceptance of their Shares for payment.

3. Inadequate Space. If the space provided on the cover page hereof under "Description of Shares Tendered" is inadequate, the Share Certificate numbers, the number of Shares evidenced by such Share Certificates and the number of Shares tendered should be listed on a separate signed schedule and attached hereto.

4. Partial Tenders (not applicable to stockholders who tender by book-entry transfer). If fewer than all Shares evidenced by any Share Certificate delivered to the Depositary herewith are to be tendered hereby, fill in the number of Shares that are to be tendered in the box entitled "Number of Shares Tendered." In such cases, new Share Certificate(s) evidencing the remainder of Shares that were evidenced by the Share Certificates delivered to the Depositary herewith will be sent to the person(s) signing this Letter of Transmittal, unless otherwise provided in the box entitled "Special Delivery Instructions" on page 5 hereof, as soon as practicable after the Expiration Date or the termination of the Offer. All Shares evidenced by Share Certificates delivered to the Depositary will be deemed to have been tendered unless otherwise indicated.

5. Signatures on Letter of Transmittal; Stock Powers and Endorsements. If this Letter of Transmittal is signed by the registered holder(s) of Shares tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the Share Certificates evidencing such Shares without alteration, enlargement or any other change whatsoever.

If any Shares tendered hereby are held of record by two or more persons, all such persons must sign this Letter of Transmittal.

If any Shares tendered hereby are registered in different names, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of such Shares.

If this Letter of Transmittal is signed by the registered holder(s) of Shares tendered hereby, no endorsements of Share Certificates or separate stock powers are required, unless payment is to be made to, or Share Certificates evidencing Shares not tendered or not accepted for payment are to be issued in the name of, a person other than the registered holder(s). If the Letter of Transmittal is signed by a person other than the registered holder(s) of the Share Certificate(s) evidencing Shares tendered, the Share Certificate(s) tendered hereby must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear(s) on such Share Certificate(s). Signatures on such Share Certificate(s) and stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder(s) of Shares tendered hereby, the Share Certificate(s) evidencing Shares tendered hereby must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear(s) on such Share Certificate(s). Signatures on such Share Certificate(s) and stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal or any Share Certificate or stock power is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing, and proper evidence satisfactory to Purchaser of such persons authority so to act must be submitted.

6. Stock Transfer Taxes. Except as otherwise provided in this Instruction 6, Purchaser will pay all stock transfer taxes with respect to the sale and transfer of any Shares to it or its order pursuant to the Offer. If, however, payment of the purchase price of any Shares purchased is to be made to, or Share Certificate(s) evidencing Shares not tendered or not accepted for payment are to be issued in the name of, any person other than the registered holder(s) or if tendered certificates are registered in the name of any person other than the person(s) signing the Letter of Transmittal, the amount of any stock transfer taxes (whether imposed on the registered holder(s), or such other person, or otherwise) payable on account of the transfer to such other person will be deducted from the purchase price of such Shares purchased, unless evidence satisfactory to Purchaser of the payment of such taxes, or exemption therefrom, is submitted.

Except as provided in this Instruction 6, it will not be necessary for transfer tax stamps to be affixed to the Share Certificates evidencing Shares tendered hereby.

7. Special Payment and Delivery Instructions. If a check for the purchase price of any Shares tendered hereby is to be issued in the name of, and/or Share Certificate(s) evidencing Shares not tendered or not accepted for payment are to be issued in the name of and/or returned to, a person other than the person(s) signing this Letter of Transmittal or if such check or any such Share Certificate is to be sent to a person other than the signor of this Letter of Transmittal or to the person(s) signing this Letter of Transmittal but at an

address other than that shown in the box entitled "Description of Shares Tendered" on the cover page hereof, the appropriate boxes herein must be completed.

8. Questions and Requests for Assistance or Additional Copies. Questions and requests for assistance may be directed to the Information Agent at its address or telephone number set forth below. Additional copies of the Offer to Purchase, this Letter of Transmittal, the Notice of Guaranteed Delivery and the Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 may be obtained from the Information Agent.

9. Substitute Form W-9. Each tendering stockholder is required to provide the Depositary with a correct Taxpayer Identification Number ("TIN") on the Substitute Form W-9 which is provided under "Important Tax Information" below, and to certify, under penalty of perjury, that such number is correct and that such stockholder is not subject to backup withholding of federal income tax. If a tendering stockholder has been notified by the Internal Revenue Service that such stockholder is subject to backup withholding, such stockholder must cross out item (2) of the Certification box of the Substitute Form W-9, unless such stockholder has since been notified by the Internal Revenue Service that such stockholder is no longer subject to backup withholding. Failure to provide the information on the Substitute Form W-9 may subject the tendering stockholder to 30.5% (or, if the Expiration Date occurs after December 31, 2001, 30%) federal income tax withholding on the payment of the purchase price of all Shares purchased from such stockholder. If the tendering stockholder has not been issued a TIN and has applied for one or intends to apply for one in the near future, such stockholder should write "Applied For" in the space provided for the TIN in Part I of the Substitute Form W-9, and sign and date the Substitute Form W-9. If "Applied For" is written in Part I and the Depositary is not provided with a TIN within 60 days, the Depositary will withhold 30.5% (or, if the Expiration Date occurs after December 31, 2001, 30%) a portion of all payments of the purchase price to such stockholder until a TIN is provided to the Depositary.

Certain stockholders (including, among others, all corporations and certain foreign individuals and entities) are not subject to backup withholding. Noncorporate foreign stockholders should submit an appropriate and properly completed Internal Revenue Service Form W-8BEN, a copy of which may be obtained from the Depositary, in order to avoid backup withholding. See the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for more instructions.

IMPORTANT: THIS LETTER OF TRANSMITTAL, PROPERLY COMPLETED AND DULY EXECUTED (TOGETHER WITH ANY REQUIRED SIGNATURE GUARANTEES (OR, IN THE CASE OF A BOOK-ENTRY TRANSFER, AN AGENT'S MESSAGE) AND SHARE CERTIFICATES OR CONFIRMATION OF BOOK-ENTRY TRANSFER AND ALL OTHER REQUIRED DOCUMENTS) OR A PROPERLY COMPLETED AND DULY EXECUTED NOTICE OF GUARANTEED DELIVERY MUST BE RECEIVED BY THE DEPOSITARY PRIOR TO THE EXPIRATION DATE (AS DEFINED IN THE OFFER TO PURCHASE).

IMPORTANT TAX INFORMATION

Under U.S. federal income tax law, a stockholder whose tendered Shares are accepted for payment is generally required to provide the Depositary (as payer) with such stockholder's correct TIN on Substitute Form W-9 provided herewith. If such stockholder is an individual, the TIN generally is such stockholder's social security number. If the Depositary is not provided with the correct TIN, the stockholder may be subject to a $50 penalty imposed by the Internal Revenue Service and payments that are made to such stockholder with respect to Shares purchased pursuant to the Offer may be subject to backup withholding of 30.5% (or, if the Expiration Date occurs after December 31, 2001, 30%). In addition, if a stockholder makes a false statement that results in no imposition of backup withholding, and there was no reasonable basis for making such statement, a $500 penalty may also be imposed by the Internal Revenue Service.

Certain stockholders (including, among others, corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. In order for a foreign individual to qualify as an exempt recipient, such individual must submit a statement (Internal Revenue Service Form W-8BEN), signed under penalties of perjury, attesting to such individual's exempt status. Forms of such statements can be obtained from the Depositary. Exempt stockholders, other than foreign stockholders, should furnish their

TIN, write "Exempt" in Part II of the Substitute Form W-9 and sign, date and return the Substitute Form W-9 to the Depositary. See the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional instructions. A stockholder should consult his or her tax advisor as to such stockholder's qualification for exemption from backup withholding and the procedure for obtaining such exemption.

If backup withholding applies, the Depositary is required to withhold 30.5% (or, if the Expiration Date occurs after December 31, 2001, 30%) of any payments made to the stockholder. Backup withholding is not an additional tax. Rather, the federal income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained provided that the required information is furnished to the Internal Revenue Service.

PURPOSE OF SUBSTITUTE FORM W-9

To prevent backup withholding on payments that are made to a stockholder with respect to Shares purchased pursuant to the Offer, the stockholder is required to notify the Depositary of such stockholder's correct TIN by completing the form below certifying that (a) the TIN provided on Substitute Form W-9 is correct (or that such stockholder is awaiting a TIN), and (b)(i) such stockholder has not been notified by the Internal Revenue Service that he is subject to backup withholding as a result of a failure to report all interest or dividends or (ii) the Internal Revenue Service has notified such stockholder that such stockholder is no longer subject to backup withholding.

WHAT NUMBER TO GIVE THE DEPOSITARY

The stockholder is required to give the Depositary the TIN (e.g., social security number or employer identification number) of the record holder of Shares tendered hereby. If Shares are in more than one name or are not in the name of the actual owner, consult the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional guidance on which number to report. If the tendering stockholder has not been issued a TIN and has applied for a number or intends to apply for a number in the near future, the stockholder should write "Applied For" in the space provided for the TIN in Part I, and sign and date the Substitute Form W-9. If "Applied For" is written in Part I and the Depositary is not provided with a TIN within 60 days, the Depositary will withhold 30.5% (or, if the Expiration Date occurs after December 31, 2001, 30%) of all payments of the purchase price to such stockholder until a TIN is provided to the Depositary.

PAYER'S NAME: AMERICAN STOCK TRANSFER & TRUST COMPANY

SUBSTITUTE FORM W-9 DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE Payer's Request for Taxpayer Identification Number ("TIN")	PART I -- Taxpayer Identification Number -- Enter your taxpayer identification number in the appropriate box. For most individuals, this is your social security number. If you do not have a number, see "Obtaining a Number" in the enclosed Guidelines. Certify by signing and dating below. Note: if the account is in more than one name, check in the enclosed Guidelines for guidelines on which number to give the payer.	Social security number OR Employer identification number (If awaiting TIN write "Applied For")
	PART II -- For Payers Exempt from Backup Withholding, see the enclosed Guidelines and complete as instructed therein.	

CERTIFICATION -- Under penalties of perjury, I certify that:

(1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me), and

(2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to back-up withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to back-up withholding.

CERTIFICATE INSTRUCTIONS -- You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out item (2). (Also see instructions in the enclosed Guidelines.)

Signature
- ---------- Date
- ----------, 200
- -
- ----------

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 30.5% (OR, IF THE EXPIRATION DATE OCCURS AFTER DECEMBER 31, 2001, 30%) OF ANY PAYMENTS MADE TO YOU PURSUANT TO THIS OFFER. PLEASE REVIEW THE ENCLOSED "GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9" FOR ADDITIONAL DETAILS.

NOTE: YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU ARE AWAITING (OR WILL SOON APPLY FOR) A TAXPAYER IDENTIFICATION NUMBER.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (i) I have mailed or delivered an application to receive a taxpayer to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration office or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a Taxpayer Identification Number by the time of payment, 30.5% (or, if the Expiration Date occurs after December 31, 2001, 30%) of all reportable cash payments made to me thereafter will be withheld until I provide a Taxpayer Identification Number.

Signature
- ---------- Date
- ----------,
200
- ----------

Facsimiles of the Letter of Transmittal, properly completed and duly signed, will be accepted. The Letter of Transmittal and Share Certificates and any other required documents should be sent or delivered by each stockholder or such stockholder's broker, dealer, commercial bank, trust company or other nominee to the Depositary at its address or to the facsimile number set forth below:

The Depositary for the Offer is:

AMERICAN STOCK TRANSFER & TRUST COMPANY

By First Class Mail, by Overnight Courier or by Hand:
American Stock Transfer & Trust Company
59 Maiden Lane
New York, NY 10038

By Facsimile Transmission
for Eligible Institutions only:
(718) 234-5001

Confirm by Telephone:
(718) 921-8200

Questions or requests for assistance may be directed to the Information Agent at its address and telephone numbers listed below. Additional copies of the Offer to Purchase, this Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Information Agent. A stockholder may also contact brokers, dealers, commercial banks or trust companies for assistance concerning the Offer.

The Information Agent for the Offer is:

[INNISFREE LOGO]
501 Madison Avenue, 20th Floor
New York, NY 10022
Call Toll Free: (888) 750-5834
Banks and Brokers Call Collect: (212) 750-5833

EXHIBIT (a)(3)

NOTICE OF GUARANTEED DELIVERY
FOR
TENDER OF SHARES OF COMMON STOCK

OF

DEVX ENERGY, INC.
TO
COMSTOCK ACQUISITION INC.,
AN INDIRECT WHOLLY OWNED SUBSIDIARY OF

COMSTOCK RESOURCES, INC.
AT
$7.32 NET PER SHARE

(NOT TO BE USED FOR SIGNATURE GUARANTEES)

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, DECEMBER 13, 2001, UNLESS THE OFFER IS EXTENDED.

This Notice of Guaranteed Delivery, or a form substantially equivalent hereto, must be used to accept the Offer (as defined below) (i) if certificates ("Share Certificates"), evidencing shares of common stock, par value $0.234 per share ("Shares"), of DevX Energy, Inc., a Delaware corporation, are not immediately available, (ii) if Share Certificates and all other required documents cannot be delivered to American Stock Transfer & Trust Company, as Depositary (the "Depositary"), prior to the Expiration Date (as defined in "Section 1. Terms of the Offer; Expiration Date" of the Offer to Purchase (as defined below)) or (iii) if the procedure for delivery by book-entry transfer cannot be completed on a timely basis. This Notice of Guaranteed Delivery may be delivered by hand or mail or transmitted by telegram, or facsimile transmission to the Depositary. See "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase.

The Depositary for the Offer is:

AMERICAN STOCK TRANSFER & TRUST COMPANY

By First Class Mail, by Overnight Courier or by Hand:
American Stock Transfer & Trust Company
59 Maiden Lane
New York, NY 10038

By Facsimile Transmission
for Eligible Institutions only:
(718) 234-5001

Confirm by Telephone:
(718) 921-8200

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE, OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE TRANSMISSION OTHER THAN AS SET FORTH ABOVE, WILL NOT CONSTITUTE A VALID DELIVERY.

Certificates representing Shares must be received by the Depositary within three trading days after the date of the execution of this Notice of Guaranteed Delivery.

This form is not to be used to guarantee signatures. If a signature on a Letter of Transmittal is required to be guaranteed by an "Eligible Institution" under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

The Eligible Institution that completes this form must communicate the guarantee to the Depositary and must deliver the Letter of Transmittal and Share Certificates to the Depositary within the time period set forth above. The failure to do so could result in a financial loss to such Eligible Institution.

LADIES AND GENTLEMEN:

The undersigned hereby tenders to Comstock Acquisition Inc., a Delaware corporation and a wholly owned subsidiary of Comstock Holdings, Inc., a Delaware corporation, which, in turn, is a wholly owned subsidiary of Comstock Resources, Inc., a Nevada corporation, upon the terms and subject to the conditions set forth in the Offer to Purchase dated November 15, 2001 (the "Offer to Purchase") and the related Letter of Transmittal (which, together with the Offer to Purchase and any amendments or supplements thereto, collectively constitute the "Offer"), receipt of each of which is hereby acknowledged, the number of Shares specified below pursuant to the guaranteed delivery procedure set forth in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase.

If the Offer is terminated, the Shares tendered pursuant to the Offer will be returned to the tendering holders promptly (or, in the case of tendered by book-entry transfer, the book-entry transferred Shares will be credited to the account maintained at the Book-Entry Transfer Facility (as defined in "Section 2. Acceptance for Payment and Payment for Shares" of the Offer to Purchase and pursuant to the procedures set forth in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase) from which the book-entry tendered Shares were delivered).

The undersigned understand(s) that payment by American Stock Transfer & Trust Company, in its capacity as Depositary for the Shares tendered for payment and accepted for payment pursuant to the Offer, will be made only after timely receipt by the Depositary of (1) Share Certificates evidencing Shares validly tendered and not properly withdrawn prior to the expiration of the Offer and a properly completed and duly executed Letter of Transmittal (or a manually signed facsimile thereof) with respect to the Shares with any required signature guarantees and any other documents required by the Letter of Transmittal or (2) a book-entry confirmation of the transfer of the undersigned's Shares into the Depositary's account at the Book-Entry Transfer Facility and a properly transmitted Agent's Message (as defined in "Section 2. Acceptance for Payment and Payment for Shares" of the Offer to Purchase).

All authority conferred or agreed to be conferred by this Notice of Guaranteed Delivery will not be affected by, and will survive, the death or incapacity of the undersigned, and every obligation of the undersigned under this Notice of Guaranteed Delivery will be binding on the heirs, executors, administrators, trustees in bankruptcy, personal and legal representative, successors and assigns of the undersigned.

Number of Shares: ----------

Certificate Nos. (If Available): ----------

[ ] Check this box if Shares will be delivered by book-entry transfer.

Name of Eligible Institution: ----------

Account No.: ----------

Names(s) of Record Holders: ----------

Street Address: ----------

City, State and Zip Code: ----------

Signature(s) of Holder(s): ----------

Dated: ---------- , 200--

This Notice of Guaranteed Delivery must be signed by the holder(s) exactly as name(s) appear(s) on certificates for the Shares or, if tendered by a participant in the Depository Trust Company, exactly as the participant's name appears on the security position listing as the owner of the Shares, or by person(s) authorized to become holder(s) by endorsements and documents transmitted with the Notice of Guaranteed Delivery. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, such persons must provide the following information:

PLEASE PRINT NAME(S) AND ADDRESS(ES)

Name(s) of Holders: ----------

Capacity: ----------

Street Address: ----------

City, State and Zip Code: ----------

NOTE: DO NOT SEND CERTIFICATES WITH THIS FORM. CERTIFICATES SHOULD BE SENT TO THE DEPOSITARY TOGETHER WITH A PROPERLY COMPLETED AND DULY EXECUTED LETTER OF TRANSMITTAL.

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a participant in the Security Transfer Agents Medallion Program or an "eligible guarantor institution," as such term is defined in Rule 17 Ad-15 under the Securities Exchange Act of 1934, as amended, guarantees to delivery to the Depositary either certificates representing the Shares tendered hereby, in proper form for transfer, or confirmation of book-entry transfer of such Shares into the Depositary's account at The Depository Trust Company, in each case with delivery of a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantees, or an Agent's Message (as defined in the Offer to Purchase), and any other documents required by the Letter of Transmittal, all within three Nasdaq National Market trading days after the date hereof.

- ----------	----------
Name of Firm	Title
- ----------	----------
Authorized Signature	Address
Name: ----------	----------
Please type or print	Area Code and Telephone Number
Dated: ----------, 200 --	

DO NOT SEND SHARE CERTIFICATES WITH THIS NOTICE.
SHARE CERTIFICATES SHOULD BE SENT WITH YOUR
LETTER OF TRANSMITTAL.

EXHIBIT (a)(4)

OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES OF COMMON STOCK

OF

DEVX ENERGY, INC.
AT

$7.32 NET PER SHARE

BY

COMSTOCK ACQUISITION INC.,
AN INDIRECT WHOLLY OWNED SUBSIDIARY OF

COMSTOCK RESOURCES, INC.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, DECEMBER 13, 2001, UNLESS THE OFFER IS EXTENDED.

November 15, 2001

To Brokers, Dealers, Commercial Banks,
Trust Companies and Other Nominees:

Comstock Acquisition, Inc., a Delaware corporation ("Purchaser") and a wholly owned subsidiary of Comstock Holdings, Inc., a Delaware corporation ("Holdings"), which, in turn, is a wholly owned subsidiary of Comstock Resources, Inc., a Nevada corporation ("Comstock"), has offered to purchase all the issued and outstanding shares of common stock, par value $0.234 per share ("Shares"), of DevX Energy, Inc., a Delaware corporation ("DevX"), for $7.32 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions described in the Purchaser's Offer to Purchase dated November 15, 2001 (the "Offer to Purchase") and the related Letter of Transmittal (which, together with the Offer to Purchase and any amendments or supplements thereto, collectively constitute the "Offer") enclosed herewith. Please furnish copies of the enclosed materials to those of your clients for whose accounts you hold Shares registered in your name or in the name of your nominee.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, THERE HAVING BEEN VALIDLY TENDERED AND NOT WITHDRAWN PRIOR TO THE EXPIRATION OF THE OFFER AT LEAST 50% OF THE NUMBER OF THEN OUTSTANDING SHARES (INCLUDING ALL SHARES ISSUABLE UPON THE EXERCISE OF OUTSTANDING OPTIONS OR OUTSTANDING WARRANTS (AS EACH SUCH TERM IS DEFINED IN THE OFFER TO PURCHASE), EACH AS OF THE BUSINESS DAY PRECEDING THE INITIAL EXPIRATION DATE (AS DEFINED IN THE OFFER TO PURCHASE)), PLUS ONE SHARE. SEE "SECTION 1. TERMS OF THE OFFER; EXPIRATION DATE" AND "SECTION 14. CERTAIN CONDITIONS OF THE OFFER" OF THE OFFER TO PURCHASE, WHICH SETS FORTH IN FULL THE CONDITIONS TO THE OFFER.

For your information and for forwarding to your clients for whom you hold Shares registered in your name or in the name of your nominee, we are enclosing the following documents:

1. Offer to Purchase dated November 15, 2001;

2. Letter of Transmittal for your use in accepting the Offer and tendering Shares and for the information of your clients;

3. Notice of Guaranteed Delivery to be used to accept the Offer if the Shares and all other required documents are not immediately available or cannot be delivered to American Stock Transfer & Trust Company (the "Depositary") prior to the Expiration Date (as defined in the Offer to Purchase) or if the procedure for book-entry transfer cannot be completed prior to the Expiration Date;

4. A letter to stockholders of DevX from Joseph T. Williams, Chairman of the Board of DevX, together with a Solicitation/Recommendation Statement on Schedule 14D-9 filed with the Securities and Exchange Commission by DevX;

5. A letter that may be sent to your clients for whose accounts you hold Shares registered in your name or in the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Offer;

6. Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9; and

7. Return envelope addressed to the Depositary.

WE URGE YOU TO CONTACT YOUR CLIENTS AS PROMPTLY AS POSSIBLE. PLEASE NOTE THAT THE OFFER AND WITHDRAWAL RIGHTS EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, DECEMBER 13, 2001, UNLESS THE OFFER IS EXTENDED.

In all cases, Purchaser will pay for Shares tendered and accepted for payment pursuant to the Offer only after timely receipt by the Depositary of (i) certificates evidencing such Shares or timely confirmation of a book-entry transfer of such Shares into the Depositary's account at the Book-Entry Transfer Facility (as defined in the Offer to Purchase), (ii) a Letter of Transmittal, properly completed and duly executed, with any required signature guarantees, in the case of a book-entry transfer, or an Agent's Message (as defined in the Offer to Purchase) and (iii) any other documents required under the Letter of Transmittal.

If holders of Shares wish to tender, but it is impracticable for them to forward their certificates or other required documents prior to the expiration of the Offer, a tender may be effected by following the guaranteed delivery procedure described in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase.

Purchaser will not pay any fees or commissions to any broker, dealer or other person (other than the Depositary and Innisfree M&A Incorporation (the "Information Agent"), as described in the Offer to Purchase) in connection with the solicitation of tenders of Shares pursuant to the Offer. However, Purchaser will reimburse you for customary mailing and handling expenses incurred by you in forwarding any of the enclosed materials to your clients. Purchaser will pay or cause to be paid any stock transfer taxes payable with respect to the transfer of Shares to it, except as otherwise provided in Instruction 6 of the Letter of Transmittal.

Any inquiries you may have with respect to the Offer should be addressed to the Information Agent at its address and telephone number set forth on the back cover page of the Offer to Purchase.

Additional copies of the enclosed material may be obtained from the Information Agent, at the address and telephone number set forth on the back cover page of the Offer to Purchase.

Very truly yours,

COMSTOCK ACQUISITION INC.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS WILL CONSTITUTE YOU OR ANY OTHER PERSON THE AGENT OF COMSTOCK, HOLDINGS, PURCHASER, DEVX, THE INFORMATION AGENT OR THE DEPOSITARY, OR OF ANY AFFILIATE OF ANY OF THE FOREGOING, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR TO MAKE ANY STATEMENT ON BEHALF OF ANY OF THE FOREGOING IN CONNECTION WITH THE OFFER OTHER THAN THE ENCLOSED DOCUMENTS AND THE STATEMENTS CONTAINED THEREIN.

EXHIBIT (a)(5)

OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES OF COMMON STOCK

OF

DEVX ENERGY, INC.
AT

$7.32 NET PER SHARE

BY

COMSTOCK ACQUISITION INC.,
AN INDIRECT WHOLLY OWNED SUBSIDIARY OF

COMSTOCK RESOURCES, INC.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, DECEMBER 13, 2001, UNLESS THE OFFER IS EXTENDED.

November 15, 2001

To Our Clients:

Enclosed for your consideration are the Offer to Purchase dated November 15, 2001 (the "Offer to Purchase") and the related Letter of Transmittal (which, together with the Offer to Purchase and any amendments or supplements thereto, collectively constitute the "Offer") in connection with the offer by Comstock Acquisition Inc., a Delaware corporation ("Purchaser") and a wholly owned subsidiary of Comstock Holdings, Inc., a Delaware corporation, which, in turn, is a wholly owned subsidiary of Comstock Resources, Inc., a Nevada corporation, to purchase all the issued and outstanding shares of common stock, par value $0.234 per share ("Shares"), of DevX Energy, Inc., a Delaware corporation ("DevX"), for $7.32 per Share (such amount, or any greater amount per Share paid pursuant to the Offer, being the "Per Share Amount"), net to the seller in cash, without interest, upon the terms and subject to the conditions described in the Offer to Purchase and in the related Letter of Transmittal.

WE ARE (OR OUR NOMINEE IS) THE HOLDER OF RECORD OF SHARES HELD FOR YOUR ACCOUNT. A TENDER OF SUCH SHARES CAN BE MADE ONLY BY US AS THE HOLDER OF RECORD AND PURSUANT TO YOUR INSTRUCTIONS. THE ENDORSED LETTER OF TRANSMITTAL IS FURNISHED TO YOU FOR YOUR INFORMATION ONLY AND CANNOT BE USED BY YOU TO TENDER SHARES HELD BY US FOR YOUR ACCOUNT.

We request instructions as to whether you wish to have us tender on your behalf any or all Shares held by us for your account, upon the terms and subject to the conditions set forth in the Offer.

Your attention is invited to the following:

1. The tender price is $7.32 per Share, net to you in cash, without interest.

2. The Offer is being made for all the issued and outstanding Shares.

3. The Board of Directors of DevX has determined that the Merger Agreement (as defined in the Offer to Purchase) and the transactions contemplated thereby, including the Offer and the Merger (as defined in the Offer to Purchase), are fair to, and in the best interest of, the holders of Shares, has approved, adopted and declared advisable the Merger Agreement and the transactions contemplated

thereby, including the Offer and the Merger, and has resolved to recommend that the holders of Shares accept the Offer and tender their Shares pursuant to the Offer.

4. The Offer and withdrawal rights will expire at 12:00 midnight, New York City time, Thursday, December 13, 2001, unless the Offer is extended.

5. The Offer is conditioned upon, among other things, there having been validly tendered and not withdrawn prior to the expiration of the Offer at least 50% of the number of then outstanding Shares (including all Shares issuable upon the exercise of Outstanding Options or Outstanding Warrants (as each such term is defined in the Offer to Purchase), each as of the business day preceding the Initial Expiration Date (as defined in the Offer to Purchase)) plus one Share. The Offer is also subject to certain other conditions contained in the Offer to Purchase. See "Section 1. Terms of the Offer; Expiration Date" and "Section 14. Certain Conditions of the Offer" of the Offer to Purchase, which set forth in full the conditions to the Offer.

6. Tendering stockholders will not be obligated to pay brokerage fees or commissions or, except as otherwise provided in Instruction 6 of the Letter of Transmittal, stock transfer taxes with respect to the purchase of Shares by Purchaser pursuant to the Offer.

If you wish to have us tender any or all of your Shares, please so instruct us by completing, executing and returning to us the instruction form contained in this letter. An envelope in which to return your instructions to us is enclosed. If you authorize the tender of your Shares, all such Shares will be tendered unless otherwise specified in your instructions. YOUR INSTRUCTIONS SHOULD BE FORWARDED TO US IN AMPLE TIME TO PERMIT US TO SUBMIT A TENDER ON YOUR BEHALF PRIOR TO THE EXPIRATION OF THE OFFER.

The Offer is being made solely by the Offer to Purchase and the related Letter of Transmittal and is being made to holders of Shares. Purchaser is not aware of any jurisdiction where the making of the Offer or the acceptance of Shares pursuant thereto is prohibited by any administrative or judicial action or by any valid state statute. If Purchaser becomes aware of any valid state statute prohibiting the making of the Offer or the acceptance of Shares pursuant thereto, Purchaser will make a good faith effort to comply with such state statute. If, after such good faith effort, Purchaser cannot comply with such state statute, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the holders of Shares in such state. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on behalf of Purchaser by one or more registered brokers or dealers licensed under the laws of such jurisdiction.

INSTRUCTIONS WITH RESPECT TO THE OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES OF COMMON STOCK
OF
DEVX ENERGY, INC.
BY
COMSTOCK ACQUISITION INC.

The undersigned acknowledge(s) receipt of your letter and the enclosed Offer to Purchase dated November 15, 2001 and the related Letter of Transmittal (which, together with the Offer to Purchaser and any amendments or supplements thereto, collectively constitute the "Offer") in connection with the offer by Comstock Acquisition Inc., a Delaware corporation and a wholly owned subsidiary of Comstock Holdings, Inc., a Delaware corporation, which, in turn, is a wholly owned subsidiary of Comstock Resources, Inc., a Nevada corporation, to purchase all the issued and outstanding shares of common stock, par value $0.234 per share ("Shares"), of DevX Energy, Inc., a Delaware corporation, for $7.32 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions described in the Offer to Purchase and related Letter of Transmittal.

This will instruct you to tender the number of Shares indicated below (or, if no number is indicated below, all Shares) that are held by you for the account of the undersigned, upon the terms and subject to the conditions described in the Offer.

Number of Shares to be Tendered*: ----------

Date:
----------, 200--

Signature(s):

- ----------

- ----------
Please type or print name

- ----------

- ----------
Please type or print address

- ----------
Area Code and Telephone Number

- ----------
Taxpayer Identification Number or Social Security Number

* Unless otherwise indicated, it will be assumed that all Shares held by us for your account are to be tendered.

EXHIBIT (a)(6)

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

Guidelines for Determining the Proper Identification Number for the Payee (You) to Give the Payer. Social Security numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employer identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer. All "Section" references are to the Internal Revenue Code of 1986, as amended. "IRS" is the Internal Revenue Service.

FOR THIS TYPE OF ACCOUNT:	GIVE THE SOCIAL SECURITY NUMBER OF --	FOR THIS TYPE OF ACCOUNT:	GIVE THE EMPLOYER IDENTIFICATION NUMBER OF --
1. An individual's account	The individual	2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account(1)
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor(2)	4. a. The usual revocable savings trust account (grantor is also trustee)	The grantor-trustee(1)
b. So-called trust account	The actual owner(1)		
5. Sole proprietorship	The owner(3)	6. A valid trust, estate	

or The legal entity(4)	
pension trust	
8. Corporate	The corporation
9. Association, club, religious, charitable, educational or other tax-exempt organization	The organization
10. Partnership	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a State or local government, school district, or prison) that receives agricultural program payments	The public entity

- ---

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(1) List first and circle the name of the person whose number you furnish. If only one person or a joint account has a social security number, that person's social security number must be furnished.
(2) Circle the minor's name and furnish the minor's social security number.
(3) Show your individual name. You may also enter your business name. You may use your social security number or employer identification number (if you have one).
(4) List first and circle the name of the legal trust, estate or pension trust. (Do not furnish the taxpayer identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

NOTE:If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

OBTAINING A NUMBER

If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Number Card, or Form SS-4, Application for Employer Identification Number, at the local office of the Social Security Administration or the Internal Revenue Service and apply for a number.

PAYEES EXEMPT FROM BACKUP WITHHOLDING

Payees specifically exempted from backup withholding or information reporting on ALL payments include the following:

- A corporation.
- A financial institution.
- An organization exempt from tax under section 501(a), or an individual retirement plan, or a custodial account under Section 403(b)(7) (if the account satisfies the requirements of Section 401(f)(2)).
- The United States or any agency or instrumentality thereof.
- A State, the District of Columbia, a possession of the United States, or any subdivision or instrumentality thereof.
- A foreign government, a political subdivision of a foreign government, or any agency or instrumentality thereof.
- An international organization or any of its agencies or instrumentalities.
- A dealer in securities or commodities required to register in the U.S. or a possession of the U.S.
- A real estate investment trust.
- A common trust fund operated by a bank under Section 584(a).
- A trust exempt from tax under Section 664 or described in Section 4947.
- An entity registered at all times under the Investment Company Act of 1940.
- A foreign central bank of issue.

PAYMENTS NOT GENERALLY EXEMPT FROM BACKUP WITHHOLDING

Payments of dividends and patronage dividends not generally subject to backup withholding include the following:

- Payments to nonresident aliens subject to withholding under Section 1441.
- Payments to partnerships not engaged in a trade or business in the U.S. and which have at least one nonresident partner.
- Payments of patronage dividends where the amount received is not paid in money.
- Payments made by certain foreign organizations.
- Payments made to a nominee.

Payments of interest not generally subject to backup withholding including the following:

- Payments of interest on obligations issued by individuals.

Note: You may be subject to backup withholding if this interest is $600 or more and is paid in the course of the payer's trade or business and you have not provided your correct taxpayer identification number to the payer.

- Payments of tax-exempt interest (including exempt-interest dividends under Section 852).
- Payments described in Section 6049(b)(5) to nonresident aliens.

- Payments on tax-free covenant bonds under Section 1451.

- Payments made by certain foreign organizations.

- Payments made to a nominee.

Exempt payees described above should file Form W-9 to avoid possible erroneous backup withholding. FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, AND RETURN IT TO THE PAYER. IF THE PAYMENTS ARE INTEREST, DIVIDENDS, OR PATRONAGE DIVIDENDS, ALSO SIGN AND DATE THE FORM.

Certain payments, other than interest, dividends, and patronage dividends, that are not subject to information reporting are also not subject to backup withholding. For details, see regulations under Sections 6041, 6041A(a), 6042, 6044, 6045, 6049, 6050A and 6050N.

PRIVACY ACT NOTICE. -- Section 6109 requires most recipients of dividend, interest, or other payments to give taxpayer identification numbers to payers who must report the payments to the IRS. IRS uses the numbers for identification purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold 30.5% (or, if paid after December 31, 2001, 30%) of taxable interest, dividend, and certain other payments to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

PENALTIES

(1) PENALTY FOR FAILURE TO FURNISH TAXPAYER IDENTIFICATION NUMBER. -- If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) CIVIL PENALTY FOR FALSE INFORMATION WITH RESPECT TO WITHHOLDING. -- If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of $500.

(3) CRIMINAL PENALTY FOR FALSIFYING INFORMATION. -- Falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE

This announcement is neither an offer to purchase nor a solicitation of an offer to sell Shares (as defined below). The Offer (as defined below) is being made solely by the Offer to Purchase dated November 15, 2001 and the related Letter of Transmittal and is being made to holders of Shares. Purchaser (as defined below) is not aware of any jurisdiction where the making of the Offer or the acceptance of Shares pursuant thereto is prohibited by any administrative or judicial action or by any valid state statute. If Purchaser becomes aware of any valid state statute prohibiting the making of the Offer or the acceptance of Shares pursuant thereto, Purchaser will make a good faith effort to comply with such state statute. If, after such good faith effort, Purchaser cannot comply with such state statute, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the holders of Shares in such state. In any jurisdiction where the securities, blue sky or other applicable laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on behalf of Purchaser by one or more registered brokers or dealers licensed under the laws of such jurisdiction.

NOTICE OF OFFER TO PURCHASE FOR CASH

ALL OUTSTANDING SHARES OF COMMON STOCK

OF

DEVX ENERGY, INC.

AT

$7.32 NET PER SHARE

BY

COMSTOCK ACQUISITION INC.,
AN INDIRECT WHOLLY OWNED SUBSIDIARY OF

COMSTOCK RESOURCES, INC.

Comstock Acquisition Inc., a Delaware corporation ("Purchaser") and a wholly owned subsidiary of Comstock Holdings, Inc., a Delaware corporation ("Holdings"), which, in turn, is a wholly owned subsidiary of Comstock Resources, Inc., a Nevada corporation ("Comstock"), is offering to purchase all the issued and outstanding shares of common stock, par value $0.234 per share ("Shares"), of DevX Energy, Inc., a Delaware corporation ("DevX"), for $7.32 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions described in the Offer to Purchase dated November 15, 2001 (the "Offer to Purchase") and in the related Letter of Transmittal (which, together with the Offer to Purchase and any amendments or supplements thereto, collectively constitute the "Offer"). Following the Offer, Purchaser intends to effect the Merger described below.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, DECEMBER 13, 2001, UNLESS THE OFFER IS EXTENDED.

The Offer is conditioned upon, among other things, there having been validly tendered and not withdrawn prior to the expiration of the Offer at least 50% of the number of then outstanding Shares (including all Shares issuable upon the exercise of Outstanding Options or Outstanding Warrants (as each such term is defined in the Offer to Purchase), each as of the business day preceding the Initial Expiration Date (as defined in the Offer to Purchase)) plus one Share. The Offer is also subject to certain other conditions contained in the Offer to Purchase. See

"Section 1. Terms of the Offer; Expiration Date" and "Section 14. Certain Conditions of the Offer" of the Offer to Purchase, which set forth in full the conditions to the Offer.

The Offer is being made pursuant to an Agreement and Plan of Merger dated as of November 12, 2001 (the "Merger Agreement") among Comstock, Holdings, Purchaser and DevX. The Merger Agreement provides, among other things, that as promptly as practicable after the purchase of Shares pursuant to the Offer and the satisfaction or, if permissible, waiver, of the other conditions described in the Merger Agreement, and in accordance with the relevant provisions of the General Corporation Law of the State of Delaware ("Delaware Law"), Purchaser will be merged into DevX (the "Merger"). As a result of the Merger, DevX, which will continue as the surviving corporation (the "Surviving Corporation"), will become an indirect wholly owned subsidiary of Comstock. At the effective time of the Merger (the "Effective Time"), each Share issued and outstanding immediately prior to the Effective Time (other than Shares held in the treasury of DevX, owned by Purchaser, Holdings, Comstock or DevX or owned by stockholders who have demanded and perfected appraisal rights under Delaware Law) will be canceled and converted automatically into the right to receive $7.32 per Share (or any greater amount per Share paid pursuant to the Offer) in cash, without interest.

The Board of Directors of DevX has determined that the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, are fair to, and in the best interest of, the holders of Shares, has approved, adopted and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Offer and Merger, and has resolved to recommend that the holders of Shares accept the Offer and tender their Shares pursuant to the Offer.

For purposes of the Offer, Purchaser will be deemed to have accepted for payment (and thereby purchased) Shares validly tendered and not properly withdrawn as, if and when Purchaser gives oral or written notice to American Stock Transfer & Trust Company (the "Depositary") of Purchaser's acceptance for payment of such Shares pursuant to the Offer. Upon the terms and subject to the conditions of the Offer, payment for Shares purchased pursuant to the Offer will be made by deposit of the purchase price therefor with the Depositary, which will act as agent for tendering stockholders whose Shares have been accepted for payment for the purpose of receiving payments from Purchaser and transmitting such payments to validly tendering stockholders. Under no circumstances will Purchaser pay interest on the purchase price for Shares, regardless of any delay in making such payment. In all cases, Purchaser will pay for Shares tendered and accepted for payment pursuant to the Offer only after timely receipt by the Depositary of (i) the certificates evidencing such Shares (the "Share Certificates") or timely confirmation of a book-entry transfer of such Shares into the Depositary's account at the Book-Entry Transfer Facility (as defined in "Section 2. Acceptance for Payment and Payment for Shares" of the Offer to Purchase) pursuant to the procedures described in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase, (ii) the Letter of Transmittal, properly completed and duly executed, with any required signature guarantees, in the case of a book-entry transfer, or an Agent's Message (as defined in "Section 2. Acceptance for Payment and Payment for Shares" of the Offer to Purchase) and (iii) any other documents required under the Letter of Transmittal.

Purchaser expressly reserves the right, in its sole discretion (but subject to the terms and conditions of the Merger Agreement and subject to the applicable rules of the Securities and Exchange Commission), at any time and from time to time, to extend for any reason the period of time during which the Offer is open, including upon the occurrence of any of the conditions to the Offer specified in "Section 14. Certain Conditions of the Offer" of the Offer to Purchase, by giving oral or written notice of such extension to the Depositary and by making a public announcement thereof. Any such extension will be followed as promptly as practicable by public announcement thereof and such announcement will be made no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date (as defined below). During any such extension, all Shares previously tendered and not withdrawn will remain subject to the Offer and subject to the right of a tendering stockholder to withdraw such stockholder's Shares.

Purchaser may offer a subsequent offering period in connection with the Offer. If Purchaser elects to provide a subsequent offering period, it will make a public announcement thereof on the next business day after the previously scheduled Expiration Date.

Tenders of Shares made pursuant to the Offer are irrevocable, except that such Shares may be withdrawn at any time prior to 12:00 midnight, New York City time, on Thursday, December 13, 2001 (or the latest time and date at which the Offer, if extended by Purchaser, expires) (the "Expiration Date"). For a withdrawal of Shares to be effective, a written or facsimile transmission notice of withdrawal must be timely received by the Depositary at its address set forth on the back cover page of the Offer to Purchase. Any such notice of withdrawal must specify the name of the person who tendered the Shares to be withdrawn, the number of Shares to be withdrawn and the name of the registered holder of such Shares, if different from that of the person who tendered such Shares. If Share Certificates evidencing Shares to be withdrawn have been delivered or otherwise identified to the Depositary, then, prior to the physical release of such Share Certificates, the serial numbers shown on such Share Certificates must be submitted to the Depositary and the signature(s) on the notice of withdrawal must be guaranteed by an Eligible Institution (as defined in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase), unless such Shares have been tendered for the account of an Eligible Institution. If Shares have been tendered pursuant to the procedure for book-entry transfer as described in "Section 3. Procedures for Accepting the Offer and Tendering Shares" of the Offer to Purchase, any notice of withdrawal must specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Shares. All questions as to the form and validity (including the time of receipt) of any notice of withdrawal will be determined by Purchaser, in its sole discretion, whose determination will be final and binding.

The information required to be disclosed by Rule 14d-6(d)(1) of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, is contained in the Offer to Purchase and is incorporated herein by reference.

DevX has provided Purchaser with DevX's stockholder list and security position listings for the purpose of disseminating the Offer to holders of Shares. The Offer to Purchase and the related Letter of Transmittal will be mailed by Purchaser to record holders of Shares whose names appear on DevX's stockholder list and will be furnished, for subsequent transmittal to beneficial owners of Shares, to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listings.

The Offer to Purchase and the related Letter of Transmittal contain important information which should be read carefully before any decision is made with respect to the Offer.

Questions and requests for assistance or for additional copies of the Offer to Purchase and the related Letter of Transmittal and other Offer materials may be directed to the Information Agent at its address and telephone number listed below, and copies will be furnished promptly at Purchaser's expense. No fees or commissions will be paid to brokers, dealers or other persons (other than the Information Agent) for soliciting tenders of Shares pursuant to the Offer.

The Information Agent for the Offer is:

[Innisfree Logo]

INNISFREE M&A INCORPORATED
501 Madison Avenue, 20th Floor
New York, NY 10022
Call Toll Free: (888) 750-5834
Banks and Brokers Call Collect: (212) 750-5833

November 15, 2001

EXHIBIT (a)(8)

NEWS RELEASE
FOR IMMEDIATE RELEASE

For More Information: Roland O. Burns
Chief Financial Officer
972-668-8800

COMSTOCK RESOURCES, INC. TO ACQUIRE DEVX ENERGY, INC.
DEVX ENERGY INC.'S BOARD RECOMMENDS CASH OFFER

FRISCO, TEXAS, NOVEMBER 13, 2001 - Comstock Resources, Inc. ("Comstock" or the "Company") (NYSE:CRK) announced today that it has entered into a definitive agreement with DevX Energy, Inc. ("DevX") (Nasdaq:DVXE) providing for the acquisition of DevX by a wholly owned subsidiary of Comstock in a transaction in which DevX's stockholders would receive $7.32 in cash per DevX share.

The acquisition will be effected by a first step cash tender offer for all of DevX's outstanding common stock. The tender offer is expected to commence on November 15, 2001 and to remain open for at least 20 business days. The tender offer will be followed by a merger in which stockholders whose shares are not acquired in the tender offer will receive $7.32 per share in cash. The offer is conditioned on, among other things, greater than 50% of the outstanding DevX shares being tendered. The Board of Directors of DevX recommends that DevX stockholders tender their shares to Comstock in the offer.

DevX is an independent energy company based in Dallas, Texas engaged in the exploration, development and acquisition of oil and gas properties. DevX owns interest in 636 producing oil and gas wells located onshore primarily in East and South Texas, Kentucky, Oklahoma and Kansas. Comstock estimates that the acquisition of DevX will add approximately 155 billion cubic feet equivalent of natural gas reserves to Comstock's proved oil and gas reserve base. DevX's oil and gas reserves are 96% natural gas and are 69% proved developed.

"We expect that the acquisition of DevX will complement our existing oil and gas reserve base and balance our onshore reserve growth with our offshore reserve growth which is driven by our successful offshore exploration program," stated M. Jay Allison, President and Chief Executive Officer of Comstock.

INVESTORS AND SECURITY HOLDERS ARE STRONGLY ADVISED TO READ BOTH THE TENDER OFFER STATEMENT AND THE SOLICITATION/RECOMMENDATION STATEMENT REGARDING THE TENDER OFFER REFERRED TO IN THIS PRESS RELEASE, WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. THE TENDER OFFER STATEMENT WILL BE FILED BY COMSTOCK WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE SOLICITATION/RECOMMENDATION STATEMENT WILL BE FILED BY DEVX WITH THE SECURITIES AND EXCHANGE COMMISSION. INVESTORS AND SECURITY HOLDERS MAY OBTAIN A FREE COPY OF THESE STATEMENTS (WHEN AVAILABLE) AND OTHER DOCUMENTS FILED BY COMSTOCK AND DEVX AT THE SEC'S WEB SITE AT WWW.SEC.GOV.

THIS PRESS RELEASE MAY CONTAIN "FORWARD-LOOKING STATEMENTS" AS THAT TERM IS DEFINED IN THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. SUCH STATEMENTS ARE BASED ON MANAGEMENT'S CURRENT EXPECTATIONS AND ARE SUBJECT TO A NUMBER OF FACTORS AND UNCERTAINTIES WHICH COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE DESCRIBED HEREIN. ALTHOUGH THE COMPANY BELIEVES THAT THE EXPECTATIONS IN SUCH STATEMENTS TO BE REASONABLE, THERE CAN BE NO ASSURANCE THAT SUCH EXPECTATIONS WILL PROVE TO BE CORRECT.

COMSTOCK RESOURCES, INC. IS A GROWING INDEPENDENT ENERGY COMPANY BASED IN FRISCO, TEXAS AND IS ENGAGED IN OIL AND GAS ACQUISITIONS, EXPLORATION AND DEVELOPMENT PRIMARILY IN TEXAS, LOUISIANA AND THE GULF OF MEXICO. THE COMPANY'S STOCK IS TRADED ON THE NEW YORK STOCK EXCHANGE UNDER THE SYMBOL CRK.

EXHIBIT (b)(1)

November 14, 2001

Roland O. Burns
Senior Vice President and
Chief Financial Officer
Comstock Resources, Inc.
5300 Town and Country Blvd.
Suite 500
Frisco, Texas 75034

COMMITMENT LETTER

Dear Roland:

TD Securities (USA) Inc. ("TD Securities"), as arranger for Toronto Dominion (Texas), Inc. ("TDTX"), is pleased to advise you that, subject to the terms and conditions herein, TDTX is willing to provide Comstock Resources, Inc. ("Comstock") ("You" or the "Borrower") with the following credit facility (the "Facility"):

> A $350,000,000 Senior Secured Revolving Facility for Comstock Resources, Inc. subject to the Borrowing Base provisions outlined in Exhibit A described below.

The Facility will be used to fund the acquisition of DevX Energy, Inc. by Comstock, to refinance existing indebtedness and for general corporate purposes and as are more fully described in the Summary of Terms and Conditions attached hereto as Exhibit A (the "Term Sheet").

TD Securities will act as the sole and exclusive advisor and arranger for the Facility, and TDTX will act as the sole and exclusive administrative agent. As we have discussed, it is the intent of TD Securities to commence the syndication of the Facility to one or more banks and financial institutions (together with TDTX, the "Lenders") promptly following the execution of this commitment letter and we intend to complete the syndication efforts prior to closing of the Facility. TD Securities shall be entitled, in consultation with you, before or after closing, to change the pricing and Borrowing Base of the Facility if TD Securities determines that such changes are advisable in order to ensure a successful syndication (to be defined as a final hold by TDTX of $45,000,000 of the maximum $300,000,000 Borrowing Base outlined in the Term Sheet) and, if such changes are required after the closing, You agree to enter into such modifications of the credit documents as may be reasonably necessary or appropriate to effectuate the foregoing. Any decrease to the Borrowing Base will be limited to 10% of the amount committed hereto.

TD Securities, as arranger for TDTX, will manage, in consultation with the Borrower, all aspects of the syndication, including decisions as to the selection of institutions to be approached and when they will be approached, when their commitments will be accepted, which institutions will participate, the allocation of the commitments among the Lenders and the amount and distribution of fees among the Lenders. You agree to actively assist TD Securities in achieving a syndication that is

satisfactory to you and TDTX. In that regard, you agree (i) promptly to provide, and to cause your advisors to provide, TD Securities upon request with all information reasonably deemed necessary by it to complete successfully the syndication including, but not limited to, information and projections prepared by you or on your behalf relating to the transactions contemplated hereby and (ii) to assist, and to cause your advisors to assist, TD Securities upon request in the preparation of an information memorandum and other marketing materials to be used in connection with the syndication. You hereby represent and covenant that all (i) information (other than projections) provided by you or your advisors to TD Securities is, or will be when furnished, complete and correct in all material respects and does not, or will not when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading in light of the circumstances under which such statements are made and (ii) the projections you have provided or will provide to TD Securities have been or will be prepared in good faith based upon reasonable assumptions. You acknowledge that in arranging and syndicating the Facility, TD Securities may use, and rely on, information and projections provided by you without independent verification. You also acknowledge that TD Securities will share credit and other non-public information about you and your affiliates with TDTX and other affiliates.

The Facility will be provided pursuant to the terms and conditions of, and shall become effective only upon the execution and delivery of a mutually satisfactory credit agreement and other definitive loan documentation incorporating the terms and conditions set forth in the Term Sheet, your payment of certain fees to TD Securities and TDTX as agreed between the parties and other terms and conditions customarily included in credit facilities of this type, amount and purpose. These terms and conditions will necessarily be further developed during the course of preparing and negotiating the loan documentation.

TDTX's commitment hereunder is further subject to: (i) satisfactory completion of due diligence (excluding an engineering review used to determine the Borrowing Base); (ii) the truth and accuracy in all material respects of the financial statements and other information provided to TD Securities by the Borrower; (iii) the absence of any material adverse change in either the business, assets, liabilities, financial condition, prospects or results of operations of the Borrower and their affiliates; (iv) the absence of any material adverse change in or disruption of financial, banking or capital market conditions (including the loan syndication market) existing now or in the future, that in the judgment of TD Securities and TDTX would adversely affect the satisfactory completion of the syndication of the Facility; and (v) the satisfaction of TD Securities and TDTX that clear market conditions exist and will exist prior to and during the syndication for obligations of the Facility.

The Borrowers agree to indemnify and hold harmless TD Securities, TDTX, the Lenders, the issuer of letters of credit, their affiliates and their respective officers, directors, employees, advisors and agents (each, an "Indemnified Person") from and against any and all losses, claims, damages and liabilities to which any such Indemnified Person may become subject arising out of or in connection with this letter, the Facility, the use of proceeds thereof, the other transactions contemplated hereby, any related transaction or any claim, investigation or proceeding relating to any of the foregoing, regardless

of whether any Indemnified Person is a party thereto, and to reimburse each Indemnified Person upon demand for any costs or expenses (including legal fees) incurred in connection with investigating or defending any of the foregoing, provided that the foregoing indemnity will not, as to any Indemnified Person, apply to losses, claims, damages or liabilities to the extent they arise from the willful misconduct or gross negligence of such Indemnified Person. No Indemnified Person shall be liable for any indirect or consequential damages in connection with its activities related to this letter or the Facility.

In addition, whether or not any loans are made, the Borrower agrees to reimburse TD Securities, TDTX and their affiliates on demand for all out-of-pocket expenses (including due diligence expenses, syndication expenses, consultant's fees and expenses, printing and reproduction costs, appraisal fees, travel expenses and reasonable fees, charges and disbursements of counsel) incurred in connection with the Facility and the preparation, review, negotiation, execution and delivery of any related documentation, whether or not executed (including this letter, the Term Sheet and definitive financing documentation) and the administration, amendment, modification or waiver thereof.

The terms of this letter may be accepted by Comstock prior to 8:00 p.m. (New York time) on November 14, 2001 in the manner indicated in the final paragraph of this letter. If this letter is not so accepted by such time on that date, this commitment shall automatically expire unless extended in writing by TD Securities.

In addition, unless extended in writing at the sole discretion of TD Securities, all obligations of TDTX and TD Securities under this letter shall expire automatically, without further act and regardless of cause or circumstances on January 11, 2002 if definitive loan documentation is not executed and delivered by all the parties thereto and funds disbursed on or prior to such date. Notwithstanding anything stated herein to the contrary, the compensation, reimbursement and indemnification provisions hereof shall survive any termination or expiration hereof, regardless of whether definitive financing agreements are executed.

This letter is delivered to you on the condition that neither its existence nor any of its contents shall be disclosed by you to any person or entity without TD Securities' prior written approval, except (i) as may be compelled to be disclosed in a judicial or administrative proceeding or as otherwise required by law, (ii) as may be disclosed on a confidential and "need to know" basis to your directors, officers, employees, advisers, and agents, and (iii) after your acceptance of the terms hereof, the existence of this letter and a summary of the principal terms and conditions of TDTX's commitment hereunder may be disclosed in any public filings to be made in connection with the tender offer for DevX (as defined in the Term Sheet), provided that any such disclosure that is in writing shall be subject to TD Securities' prior review and approval, such approval not to be unreasonably withheld.

If the foregoing is satisfactory to you, please have the enclosed copy of this letter duly executed by an authorized officer and return copies to us. This letter may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. THIS WRITTEN LETTER AND THE TERM SHEET REPRESENT THE FINAL AGREEMENT BETWEEN THE

PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. This letter and the Term Sheet may not be assigned by you without the prior written consent of TD Securities, TDTX and the issuer of letters of credit in their sole discretion and may not be amended or any provision hereof or thereof waived or modified except by an instrument in writing signed by each of the parties hereto. No person or entity other than the parties hereto shall have any rights under or be entitled to rely upon this letter or the Term Sheet. THIS LETTER AND THE TERM SHEET SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. Delivery of an executed signature page by facsimile shall be effective execution and delivery

Please indicate your consent and agreement by your signature below.

Very truly yours,

TD Securities (USA) Inc.

/s/ Mark M. Green
- ------------------------------
Mark M. Green
Managing Director

Agreed to as of the date first above written:

Comstock Resources, Inc.

By: /s/ Roland O. Burns

Name: Roland O. Burns
Title: Senior Vice President and
Chief Financial Officer

EXHIBIT A

11/14/01

COMSTOCK RESOURCES, INC.
$350,000,000 SENIOR SECURED REVOLVING FACILITY

SUMMARY OF TERMS AND CONDITIONS

BORROWERS:	Comstock Resources, Inc. (and all operating subsidiaries, as appropriate) - ("Borrower").
FACILITY AMOUNT:	$350,000,000 senior secured revolving credit facility (the "Facility"), with the initial Borrowing Base dependent on the structure used to fund the acquisition of DevX Energy, Inc. ("DevX").
	A) $300,000,000 if the acquisition is funded using all cash (including the repayment of DevX's existing Senior Notes).
	B) $285,000,000 if the equity portion of the acquisition is funded with cash and the existing DevX Senior Notes are exchanged for a new issue of the Borrower's Senior Notes.
	C) $210,000,000 if the acquisition is funded via capitalization of an Unrestricted Subsidiary of the Borrower using a separate credit facility as provided under separate cover and other financing arrangements satisfactory to the Agent.
ARRANGER:	TD Securities (USA), Inc.
ADMINISTRATIVE AGENT:	TD (Texas), Inc. (the "Agent").
LENDERS:	The Facility will be syndicated to a group of financial institutions mutually agreeable to the Arranger and the Borrower.
MAJORITY LENDERS:	66 2/3%
PURPOSE:	The Facility will be used for the following purposes, subject to the funding options outlined above:
	i) Refinance all existing senior bank debt,
	ii) Fund the purchase of DevX (including the refinancing of DevX's existing indebtedness), and

[TD SECURITIES LOGO]

iii) General corporate purposes

MATURITY: Three years from closing.

SECURITY: The Facility will be secured by perfected first priority liens on and security interests in all the following: (a) all equity interests in any Restricted Subsidiary of the Borrower, (b) an unconditional guarantee of payment by each Restricted Subsidiary of the Borrower, and (c) all other real and personal property of the Borrower and its Restricted Subsidiaries, including: a first priority deed of trust, assignment and security interest in oil and gas properties constituting at least 80% of the present value of the Borrower's and its Restricted Subsidiaries proved reserves.

PRICING: See Attachment I for all spreads and fees.

AVAILABILITY: The Facility will be fully revolving for three years, subject to the Borrowing Base.

AMORTIZATION: The Facility will remain subject to the Borrowing Base provisions outlined below, and all amounts outstanding under the Facility will be due and payable at Maturity.

L/C TERMS AND CONDITIONS:

(i) L/C's will be available during the revolving period up to a maximum of $20MM with any L/C's issued reducing availability under the Facility on a dollar for dollar basis.

(ii) Terms up to one year or the maturity of the Facility.

(iii) L/C fees - same as the Facility LIBOR margins as noted below.

(iv) Issuance fees - 25 bps per annum, payable solely to the L/C Issuing Agent on L/C's issued and outstanding.

L/C ISSUING AGENT: The Toronto-Dominion Bank.

BORROWING BASE: The Borrowing Base shall be redetermined semi-annually, each May 1st and November 1st during the term of the Facility. The May Borrowing Base will be calculated based upon a Reserve Report dated as of each January 1st. The November Borrowing Base will be calculated based upon a Reserve Report dated as of each July 1st.

The Reserve Report dated as of each January 1st shall be delivered by April 1st of each year and shall consist of independent engineering evaluations on all of the Borrower's oil and gas properties. Evaluations shall be prepared by independent engineering firms acceptable to the Agent in its reasonable

	judgement. The July 1st Reserve Report shall be delivered by October 1st and may be prepared by the Borrower in accordance with accepted industry practices. Subsequent to the receipt of the Reserve Report, the Agent shall propose a Borrowing Base to the Lenders. The proposed Borrowing Base will be determined using the Agent's then standard oil and gas lending parameters (such parameters shall include, but not be limited to, commodity prices, and projections of production, operating expenses, general and administrative expenses, capital costs, working capital requirements and liquidity, dividend payments, obligations, and environmental and legal costs). Such Borrowing Base must be approved by 75% of the Lenders (the "Required Lenders") for affirmations or decreases and 100% of the Lenders for any increase. The Required Lenders and the Borrower may, once a year, request an additional Borrowing Base redetermination (a "Requested Redetermination"). If the Required Lenders or the Borrower seeks a Requested Redetermination, the Agent shall propose a Borrowing Base for approval using the criteria for redetermining the Borrowing Base as discussed above. Any Requested Redetermination shall be effective when the Borrower is notified of the amount of the Borrowing Base by the Agent.
OPTIONAL PREPAYMENTS/ COMMITMENT REDUCTIONS:	All or a portion of the outstanding loans under the Facility may be prepaid at any time and commitments may be terminated in whole or in part at the Borrower's option, subject to breakage costs in the case of loans based on LIBOR if prepayment occurs other than at the end of an applicable interest period.
MANDATORY PREPAYMENTS/ COMMITMENT REDUCTIONS:	Outstandings under the Facility will be required to be prepaid in the amount by which such loans and the L/C exposure exceed the Borrowing Base at any time (the "Deficiency"). Any Deficiency will be cured through three equal monthly payments beginning one month following notice of such Deficiency. Other prepayments will be required following asset sales if the effect of such asset sale is or would be a Deficiency.
CONDITIONS PRECEDENT TO CLOSING:	Substantially similar to the existing bank credit agreement including, but not limited to the successful completion by the Borrower of the tender for DevX Energy, Inc. (to be defined as a tender in excess of 50% of the Borrower's common stock); execution of definitive credit documentation satisfactory to the Agent; satisfactory legal opinions and satisfactory collateral documents.

REPRESENTATIONS AND WARRANTIES:	Substantially similar to the existing bank credit agreement including, but not limited to authorization and enforceability, absence of default or event of default and absence of material adverse change.
AFFIRMATIVE COVENANTS:	Substantially similar to the existing bank credit agreement including, but not limited to maintenance of corporate existence and rights, compliance with applicable laws (including environmental laws); performance of obligations; maintenance of properties and maintenance of appropriate and adequate insurance.
NEGATIVE COVENANTS:	Substantially similar to the existing bank credit agreement including, but not limited to limitations on indebtedness, liens, mergers, asset dispositions and dividends (stock repurchases allowed up to $20,000,000 in the aggregate provided that no stock repurchases shall be allowed if the Facility is over 80% funded). Financial covenants will include the following: a) CURRENT RATIO: Borrower will maintain a minimum current ratio (including unused/available portion of Facility and excluding Current Maturities of Long Term Debt) of at least 1.0 to 1.0. b) MINIMUM TANGIBLE NET WORTH: 80% of the Borrower's shareholder's equity as of September 30, 2001; increasing by 75% of any non-redeemable preferred or common stock offerings and 50% of net income (test to exclude non-cash charges related to FAS 121 impairments or ceiling test writedowns after September 30, 2001). c) INTEREST COVERAGE RATIO: Borrower will maintain a minimum EBITDA to consolidated interest expense of 2.5 to 1.0 to be calculated on a rolling, four quarters basis.
EVENTS OF DEFAULT:	Substantially similar to the existing bank credit agreement including, but not limited to: nonpayment of principal, interest or fees when due, violation of covenants, material breach of representations and warranties, cross default to other debt, bankruptcy, inability to pay liabilities in the normal course of business, material judgments, change in control and events of default under certain other material agreements.
EXPENSES AND INDEMNIFICATION:	All reasonable out-of-pocket expenses of the Agent associated with the syndication, preparation, execution, delivery, waiver, modification, administration and enforcement of the Credit Agreement and the other documentation contemplated thereby are to be paid by the Borrower whether or not the transaction is consummated.

	The Borrower will indemnify the Agent and the other Lenders and hold them harmless from and against all costs, expenses (including reasonable fees, charges and disbursements of counsel) and liabilities, including those resulting from any litigation or other proceedings (regardless of whether the Agent or any other Lender is a party thereto), related to or arising out of the transactions contemplated hereby; provided that neither the Agent nor any other Lender will be indemnified for its gross negligence or willful misconduct.
AGENT'S COUNSEL:	Mayer, Brown and Platt
GOVERNING LAW:	New York

[TD SECURITIES LOGO]

ATTACHMENT I
INTEREST SPREADS

FUNDING SPREADS: With regard to the Revolver, at Borrower's option:

(i) Base Rate.

(ii) 1, 2, 3 or 6 month LIBOR, plus applicable margin indicated below.

PRICING GRID
(EXPRESSED IN BASIS POINTS PER ANNUM)

PRICING LEVEL	LEVEL I	LEVEL II	LEVEL III	LEVEL IV	LEVEL V
Libor Margin	100	125	150	175	200
Base Rate Margin	0	25	50	75	100
Commitment Fee	25	25	37.5	37.5	50

Pricing Level	Borrowing Base Utilization
Level I	Less than 24.9%
Level II	25% - 49.9%
Level III	50% - 74.9%
Level IV	75% - 89.9%
Level V	90% or greater

Pricing during any Deficiency (when outstandings and L/C exposure exceed the Borrowing Base then in effect) will equal LIBOR plus 300 bps or Base Rate plus 200 bps on the outstanding amount and L/C exposure.

[TD SECURITIES LOGO]

EXHIBIT (b)(2)

November 14, 2001

Roland O. Burns
Senior Vice President and Chief Financial Officer
Comstock Holdings, Inc.
5300 Town and Country Blvd.
Suite 500
Frisco, Texas 75034

Dear Roland:

Friedman, Billings, Ramsey & Co., Inc. ("FBR"), as arranger for Toronto Dominion (Texas), Inc. ("TDTX") and HPC Holding Company ("HPC") is pleased to advise you that, subject to the terms and conditions herein, TDTX and HPC are each willing to provide Comstock Holdings, Inc. (the "Borrower") with 50% of a $57,000,000 Senior Secured Acquisition Loan (the "Credit Facility"), as outlined in Exhibit A described below.

The Credit Facility will be used to fund the acquisition of shares of DevX Energy, Inc. ("DevX") by Comstock Acquisition, Inc. ("Acquisition"), a wholly-owned subsidiary of the Borrower, all as more fully described in the Proposed Summary of Terms and Conditions attached hereto as Exhibit A (the "Term Sheet").

FBR will act as an advisor and arranger for the Credit Facility and TDTX will act as the sole and exclusive administrative agent. As we have discussed, FBR has solicited commitments from TDTX and HPC (together, the "Lenders") prior to the execution of this commitment letter in an amount sufficient to provide the Credit Facility.

The Credit Facility will be provided pursuant to the terms and conditions of, and shall become effective only upon the execution and delivery of, a mutually satisfactory credit agreement and other definitive loan documentation incorporating the terms and conditions set forth in the Term Sheet, your payment of certain fees set forth in the Term Sheet and other terms and conditions customarily included in credit facilities of this type, amount and purpose. These terms and conditions will necessarily be further developed during the course of preparing and negotiating the loan documentation.

The Borrower agrees to indemnify and hold harmless FBR, the Lenders, their affiliates and their respective officers, directors, employees, advisors and agents (each, an "Indemnified Person") from and against any and all losses, claims, damages and liabilities to which any such Indemnified Person may become subject arising out of or in connection with this letter, the Credit Facility, the use of proceeds thereof, the other transactions contemplated hereby, any related transaction or any claim, investigation or proceeding relating to any of the foregoing, regardless of whether any Indemnified Person is a party thereto, and to reimburse each Indemnified Person upon demand for any costs or expenses (including legal fees) incurred in connection with investigating or defending any of the foregoing, provided that the foregoing indemnity will not, as to any Indemnified Person, apply to losses, claims, damages or liabilities to the extent they arise from the willful misconduct or gross negligence of such Indemnified Person. No Indemnified Person shall be liable for any indirect or consequential damages in connection with its activities related to this letter or the Credit Facility.

In addition, whether or not any loans are made, the Borrower agrees to reimburse FBR, TDTX and their affiliates on demand for all out-of-pocket expenses (including, without limitation, travel expenses and reasonable fees, charges and disbursements of counsel) incurred in connection with the Credit Facility and the preparation, review, negotiation, execution and delivery of any related documentation, whether or not executed (including this letter, the Term Sheet and definitive financing documentation) and the administration, amendment, modification or waiver thereof.

The terms of this letter may be accepted by Comstock prior to 10:00 p.m. (New York time) on November 14, 2001 in the manner indicated in the final paragraph of this letter. If this letter is not so accepted by such time on that date, this commitment shall automatically expire unless extended in writing by FBR.

In addition, unless extended in writing at the sole discretion of FBR, all obligations of FBR, TDTX and HPC under this letter or the Term Sheet shall expire automatically, without further act and regardless of cause or circumstances on January 11, 2002 if definitive loan documentation is not executed and delivered by all the parties thereto and initial loans disbursed on or prior to such date. Notwithstanding anything stated herein to the contrary, the compensation, reimbursement and indemnification provisions hereof shall survive any termination or expiration hereof, regardless of whether definitive financing agreements are executed.

This letter is delivered to you on the condition that neither its existence nor any of its contents shall be disclosed by you to any person or entity without FBR's prior written approval, except (i) as may be compelled to be disclosed in a judicial or administrative proceeding or as otherwise required by law, (ii) as may be disclosed on a confidential and "need to know" basis to your directors, officers, employees, advisers, and agents, and (iii) after your acceptance of the terms hereof, the existence of this letter and a summary of the principal terms and conditions of the commitments hereunder may be disclosed in any public filings to be made in connection with the tender offer for DevX (as defined in the Term Sheet), provided that any such disclosure that

is in the writing shall be subject to FBR's prior review and approval, such approval not to be unreasonably withheld.

If the foregoing is satisfactory to you, please have the enclosed copy of this letter duly executed by an authorized officer and return copies to us. This letter may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. This letter and the Term Sheet may not be assigned by you without the prior written consent of FBR and may not be amended or any provision hereof or thereof waived or modified except by an instrument in writing signed by each of the parties hereto. No person or entity other that the parties hereto TDTX and HPC shall have any rights under or be entitled to rely upon this letter or the Term Sheet. This letter and the Term Sheet shall be governed by and construed in accordance with the law of the State of New York. Delivery of an executed signature page by facsimile shall be effective execution and delivery.

Please indicate your consent and agreement by your signature below.

Very truly yours,

Friedman, Billings & Ramsey Co., Inc.

By: /s/ Michael W. Mitchell
Name: Michael W. Mitchell
Title: Managing Director

Accepted and agreed to as of the date first above written:

Comstock Holdings, Inc.

By: /s/ Roland O. Burns
Name: Roland O. Burns
Title: Vice President

PROPOSED SUMMARY OF TERMS AND CONDITIONS
$57,000,000 SENIOR SECURED ACQUISITION LOAN
CREDIT FACILITY
NOVEMBER 14, 2001

THIS SUMMARY OF TERMS AND CONDITIONS IS NOT AN OFFER OR A COMMITMENT TO LEND. THESE TERMS ARE FOR DISCUSSION PURPOSES ONLY AND, THEREFORE, REMAIN SUBJECT TO MODIFICATION.

BORROWER:	Comstock Holdings, Inc. ("Borrower").
GUARANTOR:	Comstock Acquisition, Inc. ("Guarantor"). This Guaranty will be released just prior to the merger of the Guarantor with DevX Energy, Inc.
CO-LEAD ARRANGERS AND BOOKRUNNER:	Friedman, Billings, & Ramsey Co., Inc. and Toronto-Dominion (Texas), Inc ("Arranger")
ADMINISTRATIVE AGENT:	Toronto-Dominion (Texas), Inc. ("Agent")
LENDERS:	Toronto-Dominion (Texas), Inc.- up to 50% HPC Holding Company - up to 50% Final bank group composition and commitment allocations to be decided by Lead Arranger, Agent and Borrower. For purposes of this term sheet, the lenders (including, the Agent) participating in the Credit Facility will be called "Lenders".
COMMITMENT TYPE & AMOUNT:	$57,000,000 Senior Secured Acquisition Loan ("Credit Facility"), which may be funded in one or more advances. However, once an advance has been repaid it may not be reborrowed.
MANDATORY REPAYMENT:	Mandatory Principal Repayment and Commitment Reduction in the amount of $42,000,000 which shall occur not later than five business days after the merger of the Guarantor into DevX Energy, Inc. (the "Merger").
PURPOSE:	The Credit Facility is available to provide funds to Borrower to contribute such funds to Comstock Acquisition, Inc. for the purchase of Common Stock of DevX Energy, Inc. validly tendered and not withdrawn pursuant to the Tender Offer and to pay the merger consideration payable with respect to the Merger and to pay reasonable costs and expenses related to the Tender Offer and the Merger.
MATURITY:	90 days after closing. Provided that closing must occur on or before January 11, 2002 unless mutually agreed otherwise by Borrower and Lenders.

REPAYMENT: Principal and interest will be due at maturity. The Borrower may at any time prepay in whole the outstanding balance of the facility without premium or penalty.

COLLATERAL: (i) Perfected first and prior lien on all of the Borrower's Common Stock ownership in Comstock Acquisition, Inc. (ii) Perfected first and prior lien on all common shares of DevX Energy, Inc. which are purchased after being tendered to secure the guaranty of Comstock Acquisition, Inc. (iii) Perfected first and prior lien on at least 3,000,000 unregistered common shares of Comstock Resources, Inc. (The registered shares of which are NYSE: CRK).

MAJORITY LENDERS: 66 2/3% of the Commitment.

REPRESENTATIONS & WARRANTIES: Usual and customary representations and warranties for transactions of this nature, including but not limited to the following:

- No material change in financial condition of Borrower, DevX Energy, Inc., or Comstock Resources, Inc. as the Borrower's parent company.
- Compliance with Regulations U and X.
- Absence of litigation or any existing or pending adverse decree orders from a court or environmental agency.

CONDITIONS PRECEDENT: The closing and funding of the Credit Facility shall be subject to normal and customary conditions precedent including, but not limited to the following:

- Initial equity contribution of at least $37,000,000 cash and 3,000,000 unregistered common shares of CRK by Comstock Resources, Inc. and successful solicitation of the tender offer for DevX Energy, Inc.
- DevX Energy, Inc. entering into a Credit Facility of at least $42,000,000, on terms and conditions acceptable to Lenders, to be effective only upon closing of the merger of the Guarantor into DevX.
- Comstock Resources, Inc. entering into a comfort letter with the Lenders, which will provide for its continued ownership of the Borrower.
- The maximum tender price for the DevX shares will not exceed $7.32 per share without the agreement of the Agent and Lenders.
- All applicable waiting periods including under Hart-Scott-Rodino shall have expired.
- Compliance with margin regulations including Regulation U and X and delivery of properly completed Forms U-1 and G-3.
- Absence of governmental, corporate, contractual or legal restrictions, whether in the form of "anti-takeover" statutes, "shark repellants" or otherwise, which would restrict, limit or otherwise impede prompt consummation of the Merger.
- Acceptable opinions of counsel that must cover "no conflict" with indentures loan

agreements and other material agreements of Comstock Resources and DevX.

- Negotiation and execution of a comprehensive loan agreement and loan and collateral documents, satisfactory to Lenders, Borrower and their respective counsel.

- Satisfactory review of usual documentation relating to Borrower and Guarantor including organization documents, borrowing authority, ordinary

and customary certificates, legal opinion from Borrower's and Guarantor's counsel, as well as other documents required by the Agent's legal counsel.

- Absence of material litigation, pending or threatened against Borrower, Guarantor, Comstock Resources, Inc., or DevX Energy, Inc., except as previously disclosed.
- Absence of any material adverse change in the business, assets, liabilities or financial condition of the Borrower, Guarantor, Comstock Resources, Inc. or DevX.
- Absence of any material adverse change in or disruption of financial, banking or capital market conditions (including the loan syndication market) existing now or in the future, that in the judgment of the Arrangers would adversely affect the satisfactory completion of the syndication of the Credit Facility.

PERFORMANCE COVENANTS: In addition to the usual and customary affirmative and negative covenants for transactions of this nature, Lenders will require the following from Borrower and/or Guarantor:

- Certain reporting requirements.
- Prohibition against incurring additional indebtedness over $250,000, direct or contingent, including letters of credit or any other obligation for borrowed money, or quasi-equity issues such as preferred stock
- Prohibition against creating liens on any assets of Borrower.
- Restriction against any dividends or distributions.
- No changes in the material terms or conditions of the Tender Offer or the Merger Agreement without prior approval of Agent.
- Restriction against any loans or advances to third parties or affiliates during the existence of the loan.
- Prohibition against certain investments.
- Prohibition on asset sales, leases or transfers of all or any material part of Borrower's assets
- No change in ownership.
- Restriction on mergers or consolidations unless Borrower is surviving entity.
- Immediate notice to Agent of any material litigation, default, or adverse change in the business of the Borrower.
- Maintain adequate insurance.
- Compliance with all applicable regulatory requirements, including environmental.

FINANCIAL COVENANTS: Usual and customary Financial Covenants for transactions of this nature.

EVENTS OF DEFAULT: Usual and customary Events of Default for

transactions of this nature. There will not be any cross-defaults with Comstock Resources, Inc.'s indebtedness.

SALES BY ASSIGNMENT/ PARTICIPATION:

Assignments will be permitted (i) with the prior written consent of the Agent and Borrower (which consent shall not be unreasonably withheld provided no such consent shall be required in connection with any assignment to an affiliate of the Lenders which is an eligible assignee); provided, however, that if an Event of

	Default has occurred and is continuing, the consent of Borrower shall not be required, and (ii) upon payment of a $3,500 assignment fee by Assignor or Assignee Lenders to the Agent. Assignments will be in minimum amounts of $5,000,000, subject to the assigning Lenders selling its entire interest in the Credit Facility or retaining at least a $5,000,000 commitment after the sale is consummated. Any Lenders may participate its commitment and outstandings to another person without Borrower's consent. Participants will have limited voting rights.
DOCUMENTATION:	The obligations of the Lenders to make loans under the Credit Facility are subject to the negotiation, execution and delivery of definitive credit documentation (including schedules, exhibits and ancillary documentation) and other support documentation reasonably satisfactory to the Agent. Such documentation shall contain representations and warranties, funding and yield protection provisions, conditions precedent, covenants, events of default and other provisions appropriate for transactions of this nature.
INCREASED COST/ CHANGE OF CIRCUMSTANCES:	The credit agreement will contain customary provisions protecting the Lenders in the event of unavailability of funding, illegality, increased costs, capital adequacy charges, funding losses, environmental issues, withholding taxes and other tax liabilities.
INDEMNIFICATION:	The Borrower and Guarantor will jointly indemnify the Lead Arranger, Agent and the Lenders against all losses, liabilities, claims, damages, or expenses relative to the Credit Facility, the Borrower's use of loan proceeds, or the commitments, including, but not limited to, legal fees and settlement costs whether or not the transaction contemplated hereby is consummated.
FEES AND EXPENSES:	Any and all expenses, including legal fees, incurred by the Lead Arranger and Agent in the preparation of any commitment or any of the loan documents, regardless of whether the transaction closes, and closing of the contemplated Credit Facility will be paid by the Borrower, including, but not limited to, expenses of counsel to Agent. Borrower will not pay any fees and expenses incurred by any other financial institution.
GOVERNING LAW:	The facility shall be governed by and construed in accordance with the laws of the State of New York.
AGENT'S COUNSEL:	Mayer, Brown & Platt

PROPOSED SUMMARY OF TERMS AND CONDITIONS
$57,000,000 SENIOR SECURED ACQUISITION LOAN
CREDIT FACILITY
NOVEMBER 14, 2001

PRICING

INTEREST RATES: Borrowings shall be available under the Prime Rate option on the Credit Facility. Borrower will pay a margin (the "Applicable Margin") over that rate as detailed below:

	DAY 1-14	DAY 14-30	THEREAFTER
Prime Rate Margin (bps)	900	1200	1500

Prime Rate: A rate equal to the greater of (i) the rate publicly announced from time to time by Agent as its Prime Rate or (ii) the Federal Funds rate plus .50% per annum. Interest on Prime Rate advances shall accrue on the basis of a 360-day year and shall be payable at maturity.

OTHER FEES:

ARRANGEMENT FEE AND AGENCY FEE: To be negotiated between the Arranger and Borrower.

UPFRONT FEES: $500,000.00 paid at closing to be shared on a pro-rata basis with the Lenders.

THIS SUMMARY OF PRICING IS NOT AN OFFER OR A COMMITMENT TO LEND. THESE TERMS ARE FOR DISCUSSION PURPOSES ONLY AND, THEREFORE, REMAIN SUBJECT TO MODIFICATION.

EXHIBIT (b)(3)

November 14, 2001

Roland O. Burns
Senior Vice President and
Chief Financial Officer
Comstock Resources, Inc.
5300 Town and Country Blvd.
Suite 500
Frisco, Texas 75034

COMMITMENT LETTER

Dear Roland:

TD Securities (USA) Inc. ("TD Securities"), as arranger for Toronto Dominion (Texas), Inc. ("TDTX"), is pleased to advise you that, subject to the terms and conditions herein, TDTX is willing to provide DevX Energy, Inc. ("DevX") ("You" or the "Borrower") with the following credit facility (the "Facility") in conjunction with the acquisition of DevX by Comstock Resources, Inc. ("Comstock"):

> A $48,500,000 Senior Secured Revolving Credit Facility for DevX Energy, Inc. with an initial Borrowing Base of $48,500,000 as outlined in Exhibit A described below.

The Facility will be used to refinance existing indebtedness, make certain distributions and for general corporate purposes and as are more fully described in the Summary of Terms and Conditions attached hereto as Exhibits A (the "Term Sheet").

TD Securities will act as the sole and exclusive advisor and arranger for the Facility, and TDTX will act as the sole and exclusive administrative agent. As we have discussed, it is the intent of TD Securities to commence the syndication of the Facility to one or more banks and financial institutions (together with TDTX, the "Lenders") promptly following the execution of this commitment letter and we intend to complete the syndication efforts prior to closing of the Facility. TD Securities shall be entitled, in consultation with you, before or after closing, to change the pricing and Borrowing Base of the Facilities if TD Securities determines that such changes are advisable in order to ensure a successful syndication (to be defined as a final hold by TDTX of $7,275,000 of the $48,500,000 Borrowing Base outlined in the Term Sheet) and, if such changes are required after the closing, You agree to enter into such modifications of the credit documents as may be reasonably necessary or appropriate to effectuate the foregoing. Any decrease to the Borrowing Base will be limited to 10% of the amount committed hereto.

TD Securities, as arranger for TDTX, will manage, in consultation with the Borrower, all aspects of the syndication, including decisions as to the selection of institutions to be approached and when they will be approached, when their commitments will be accepted, which institutions will participate, the allocation of the commitments among the Lenders and the amount and distribution of fees among the Lenders. You agree to actively assist TD Securities in achieving a syndication that is

satisfactory to you and TDTX. In that regard, you agree (i) promptly to provide, and to cause your advisors to provide, TD Securities upon request with all information reasonably deemed necessary by it to complete successfully the syndication including, but not limited to, information and projections prepared by you or on your behalf relating to the transactions contemplated hereby and (ii) to assist, and to cause your advisors to assist, TD Securities upon request in the preparation of an information memorandum and other marketing materials to be used in connection with the syndication. You hereby represent and covenant that all (i) information (other than projections) provided by you or your advisors to TD Securities is, or will be when furnished, complete and correct in all material respects and does not, or will not when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading in light of the circumstances under which such statements are made and (ii) the projections you have provided or will provide to TD Securities have been or will be prepared in good faith based upon reasonable assumptions. You acknowledge that in arranging and syndicating the Facility, TD Securities may use, and rely on, information and projections provided by you without independent verification. You also acknowledge that TD Securities will share credit and other non-public information about you and your affiliates with TDTX and other affiliates.

The Facility will be provided pursuant to the terms and conditions of, and shall become effective only upon the execution and delivery of a mutually satisfactory credit agreement and other definitive loan documentation incorporating the terms and conditions set forth in the Term Sheet, your payment of certain fees to TD Securities and TDTX as agreed between the parties and other terms and conditions customarily included in credit facilities of this type, amount and purpose. These terms and conditions will necessarily be further developed during the course of preparing and negotiating the loan documentation.

TDTX's commitment hereunder is further subject to: (i) satisfactory completion of due diligence (excluding an engineering review used to determine the Borrowing Base); (ii) the truth and accuracy in all material respects of the financial statements and other information provided to TD Securities by the Borrower; (iii) the absence of any material adverse change in either the business, assets, liabilities, financial condition, prospects or results of operations of the Borrower and its affiliates; (iv) the absence of any material adverse change in or disruption of financial, banking or capital market conditions (including the loan syndication market) existing now or in the future, that in the judgment of TD Securities and TDTX would adversely affect the satisfactory completion of the syndication of the Facility; and (v) the satisfaction of TD Securities and TDTX that clear market conditions exist and will exist prior to and during the syndication for obligations of the Facility.

The Borrower agrees to indemnify and hold harmless TD Securities, TDTX, the Lenders, the issuer of letters of credit, their affiliates and their respective officers, directors, employees, advisors and agents (each, an "Indemnified Person") from and against any and all losses, claims, damages and liabilities to which any such Indemnified Person may become subject arising out of or in connection with this letter, the Facilities, the use of proceeds thereof, the other transactions contemplated hereby, any related transaction or any claim, investigation or proceeding relating to any of the foregoing, regardless

of whether any Indemnified Person is a party thereto, and to reimburse each Indemnified Person upon demand for any costs or expenses (including legal fees) incurred in connection with investigating or defending any of the foregoing, provided that the foregoing indemnity will not, as to any Indemnified Person, apply to losses, claims, damages or liabilities to the extent they arise from the willful misconduct or gross negligence of such Indemnified Person. No Indemnified Person shall be liable for any indirect or consequential damages in connection with its activities related to this letter or the Facility.

In addition, whether or not any loans are made, the Borrowers agree to reimburse TD Securities, TDTX and their affiliates on demand for all out-of-pocket expenses (including due diligence expenses, syndication expenses, consultant's fees and expenses, printing and reproduction costs, appraisal fees, travel expenses and reasonable fees, charges and disbursements of counsel) incurred in connection with the Facility and the preparation, review, negotiation, execution and delivery of any related documentation, whether or not executed (including this letter, the Term Sheet and definitive financing documentation) and the administration, amendment, modification or waiver thereof.

The terms of this letter may be accepted by Comstock prior to 8:00 p.m. (New York time) on November 14, 2001 in the manner indicated in the final paragraph of this letter. If this letter is not so accepted by such time on that date, this commitment shall automatically expire unless extended in writing by TD Securities.

In addition, unless extended in writing at the sole discretion of TD Securities, all obligations of TDTX and TD Securities under this letter shall expire automatically, without further act and regardless of cause or circumstances on January 11, 2002 if definitive loan documentation is not executed and delivered by all the parties thereto. The loan documents will be effective upon the merger of Comstock Acquisition, Inc. with and into DevX. Notwithstanding anything stated herein to the contrary, the compensation, reimbursement and indemnification provisions hereof shall survive any termination or expiration hereof, regardless of whether definitive financing agreements are executed.

This letter is delivered to you on the condition that neither its existence nor any of its contents shall be disclosed by you to any person or entity without TD Securities' prior written approval, except (i) as may be compelled to be disclosed in a judicial or administrative proceeding or as otherwise required by law, (ii) as may be disclosed on a confidential and "need to know" basis to your directors, officers, employees, advisers, and agents, and (iii) after your acceptance of the terms hereof, the existence of this letter and a summary of the principal terms and conditions of TDTX's commitment hereunder may be disclosed in any public filings to be made in connection with the tender offer for DevX (as defined in the Term Sheet), provided that any such disclosure that is in writing shall be subject to TD Securities' prior review and approval, such approval not to be unreasonably withheld.

If the foregoing is satisfactory to you, please have the enclosed copy of this letter duly executed by an authorized officer and return copies to us. This letter may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. THIS WRITTEN LETTER AND THE TERM SHEET REPRESENT THE FINAL AGREEMENT BETWEEN THE

PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. This letter and the Term Sheet may not be assigned by you without the prior written consent of TD Securities, TDTX and the issuer of letters of credit in their sole discretion and may not be amended or any provision hereof or thereof waived or modified except by an instrument in writing signed by each of the parties hereto. No person or entity other than the parties hereto shall have any rights under or be entitled to rely upon this letter or the Term Sheet. THIS LETTER AND THE TERM SHEET SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. Delivery of an executed signature page by facsimile shall be effective execution and delivery

Please indicate your consent and agreement by your signature below.

Very truly yours,

TD Securities (USA) Inc.

/s/ Mark M. Green

Mark M. Green
Managing Director

Agreed to as of the date first above written:

Comstock Resources, Inc.

By: /s/ Roland O. Burns

Name: Roland O. Burns
Title: Senior Vice President and
Chief Financial Officer

EXHIBIT A

11/14/01

DEVX ENERGY, INC.
$48,500,000 SENIOR SECURED REVOLVING FACILITY

SUMMARY OF TERMS AND CONDITIONS

BORROWER:	DevX Energy, Inc. (or successor company) - ("Borrower").
FACILITY AMOUNT:	$48,500,000 senior secured revolving credit facility (the "Facility"), with an initial Borrowing Base of $48,500,000.
ARRANGER:	TD Securities (USA), Inc.
ADMINISTRATIVE AGENT:	TD (Texas), Inc. (the "Agent").
LENDERS:	The Facility will be syndicated to a group of financial institutions mutually agreeable to the Arranger and the Borrower.
MAJORITY LENDERS:	66 2/3%
PURPOSE:	The following are the proposed uses of the Facility: i) To fund the repurchase of approximately $42,000,000 of common stock from Comstock Holdings, Inc., ii) Refinance existing indebtedness, and iii) General corporate purposes
MATURITY:	Three years from closing.
SECURITY:	The Facility will be secured by perfected security interests in substantially all of the assets of the Borrower including a first priority deed of trust, assignment and security interest in oil and gas properties constituting at least 80% of the present value of the Borrower's proved reserves.
PRICING:	See Attachment I for all spreads and fees.
AVAILABILITY:	The Facility will be fully revolving for three years, subject to the Borrowing Base.

[TD SECURITIES LOGO]

AMORTIZATION:	The Facility will remain subject to the Borrowing Base provisions outlined below, and all amounts outstanding under the Facility will be due and payable at Maturity.
BORROWING	BASE: The Borrowing Base shall be redetermined semi-annually, each May 1st and November 1st during the term of the Facility. The May Borrowing Base will be calculated based upon a Reserve Report dated as of each January 1st. The November Borrowing Base will be calculated based upon a Reserve Report dated as of each July 1st. The Reserve Report dated as of each January 1st shall be delivered by April 1st of each year and shall consist of independent engineering evaluations on all of the Borrower's oil and gas properties. Evaluations shall be prepared by independent engineering firms acceptable to the Agent in its reasonable judgement. The July 1st Reserve Report shall be delivered by October 1st and may be prepared by the Borrower in accordance with accepted industry practices. Subsequent to the receipt of the Reserve Report, the Agent shall propose a Borrowing Base to the Lenders. The proposed Borrowing Base will be determined using the Agent's then standard oil and gas lending parameters (such parameters shall include, but not be limited to, commodity prices, and projections of production, operating expenses, general and administrative expenses, capital costs, working capital requirements and liquidity, dividend payments, obligations, and environmental and legal costs). Such Borrowing Base must be approved by 75% of the Lenders (the "Required Lenders") for affirmations or decreases and 100% of the Lenders for any increase. The Required Lenders and the Borrower may, once a year, request an additional Borrowing Base redetermination (a "Requested Redetermination"). If the Required Lenders or the Borrower seeks a Requested Redetermination, the Agent shall propose a Borrowing Base for approval using the criteria for redetermining the Borrowing Base as discussed above. Any Requested Redetermination shall be effective when the Borrower is notified of the amount of the Borrowing Base by the Agent.
OPTIONAL PREPAYMENTS/ COMMITMENT	REDUCTIONS: All or a portion of the outstanding loans under the Facility may be prepaid at any time and commitments may be terminated in whole or in part at the Borrower's option, subject to breakage costs in the case of loans based on LIBOR if prepayment occurs other than at the end of an applicable interest period.

[TD SECURITIES LOGO]

MANDATORY PREPAYMENTS/ COMMITMENT REDUCTIONS:	Outstandings under the Facility will be required to be prepaid in the amount by which such loans exceed the Borrowing Base at any time (the "Deficiency"). Any Deficiency will be cured through three equal monthly payments beginning one month following notice of such Deficiency. Other prepayments will be required following asset sales if the effect of such asset sale is or would be a Deficiency.
CONDITIONS PRECEDENT TO CLOSING:	Substantially similar to Comstock's existing bank credit agreement including, but not limited to the successful completion of the tender for the Borrower by Comstock (to be defined as a tender in excess of 50% of the Borrower's common stock), execution of other financing arrangements needed to complete the tender in form satisfactory to the Agent, execution of definitive credit documentation satisfactory to the Agent; satisfactory legal opinions and satisfactory collateral documents.
REPRESENTATIONS AND WARRANTIES:	Substantially similar to Comstock's existing bank credit agreement including, but not limited to authorization and enforceability, absence of default or event of default and absence of material adverse change.
AFFIRMATIVE COVENANTS:	Substantially similar to Comstock's existing bank credit agreement including, but not limited to maintenance of corporate existence and rights, compliance with applicable laws (including environmental laws); performance of obligations; maintenance of properties and maintenance of appropriate and adequate insurance.
NEGATIVE COVENANTS:	Substantially similar to Comstock's existing bank credit agreement including, but not limited to limitations on indebtedness, liens, mergers, asset dispositions, dividends and the repayment of the existing Senior Notes (amount to be negotiated). Financial covenants will include the following: a) CURRENT RATIO: Borrower will maintain a minimum current ratio (including unused/available portion of Facility and excluding Current Maturities of Long Term Debt) of at least 1.0 to 1.0. b) MINIMUM TANGIBLE NET WORTH: 80% of the Borrower's shareholder's equity as of September 30, 2001; increasing by 75% of any non-redeemable preferred or common stock offerings and 50% of net income (test to exclude non-cash charges related to FAS 121 impairments or ceiling test writedowns after September 30, 2001).

[TD SECURITIES LOGO]

c) INTEREST COVERAGE RATIO: Borrower will maintain a minimum EBITDA to consolidated interest expense of 2.5 to 1.0 to be calculated on a rolling, four quarters basis.

EVENTS OF DEFAULT: Substantially similar to Comstock's existing bank credit agreement including, but not limited to: nonpayment of principal, interest or fees when due, violation of covenants, material breach of representations and warranties, cross default to other debt including Comstock debt, bankruptcy, inability to pay liabilities in the normal course of business, material judgments, change in control and events of default under certain other material agreements.

EXPENSES AND INDEMNIFICATION: All reasonable out-of-pocket expenses of the Agent associated with the syndication, preparation, execution, delivery, waiver, modification, administration and enforcement of the Credit Agreement and the other documentation contemplated thereby (including the reasonable fees, charges and disbursements of counsel and other consultants and allocated internal collateral examination and monitoring charges) are to be paid by the Borrower whether or not the transaction is consummated.

The Borrower will indemnify the Agent and the other Lenders and hold them harmless from and against all costs, expenses (including reasonable fees, charges and disbursements of counsel) and liabilities, including those resulting from any litigation or other proceedings (regardless of whether the Agent or any other Lender is a party thereto), related to or arising out of the transactions contemplated hereby; provided that neither the Agent nor any other Lender will be indemnified for its gross negligence or willful misconduct.

AGENT'S COUNSEL: Mayer, Brown and Platt

GOVERNING LAW: New York

[TD SECURITIES LOGO]

ATTACHMENT I
INTEREST SPREADS

FUNDING SPREADS: With regard to the Revolver, at Borrower's option:

(i) Base Rate, or

(ii) 1, 2 or 3 month LIBOR, plus applicable margin indicated below

PRICING GRID
(EXPRESSED IN BASIS POINTS PER ANNUM)

PRICING LEVEL	LEVEL I	LEVEL II
Libor Margin	200	225
Base Rate Margin	100	125
Commitment Fee	50	50

PRICING LEVEL	BORROWING BASE UTILIZATION
- Level I	Less than 49.9%
Level II	50% or Greater

The above spreads will increase by 200 bps, 30 days after the first call date for the Borrower's existing Senior Notes.

Interest spreads during any Deficiency (when outstanding exposure exceeds the Borrowing Base then in effect), will increase by 200 bps on the outstanding amount.

[TD SECURITIES LOGO]

EXHIBIT (d)(1)

AGREEMENT AND PLAN OF MERGER

AMONG

COMSTOCK RESOURCES, INC.,

COMSTOCK HOLDINGS, INC.,

COMSTOCK ACQUISITION INC.

AND

DEVX ENERGY, INC.

DATED AS OF NOVEMBER 12, 2001

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AGREEMENT AND PLAN OF MERGER, dated as of November 12, 2001 (this "Agreement"), among COMSTOCK RESOURCES, INC., a Delaware corporation ("CRI"), COMSTOCK HOLDINGS, INC., a Delaware corporation ("Holdings"), COMSTOCK ACQUISITION INC., a Delaware corporation and a wholly owned subsidiary of Holdings ("Purchaser"), and DEVX ENERGY, INC., a Delaware corporation (the "Company").

WHEREAS, the Boards of Directors of CRI, Holdings, Purchaser and the Company have each determined that it is in the best interests of their respective stockholders for Holdings to acquire the Company upon the terms and subject to the conditions set forth herein;

WHEREAS, in furtherance of such acquisition, Purchaser shall make a cash tender offer (the "Offer") to acquire all the shares of common stock, par value $0.234 per share, of the Company ("Shares") that are issued and outstanding for $7.32 per Share (such amount, or any greater amount per Share paid pursuant to the Offer, being the "Per Share Amount"), net to the seller in cash, upon the terms and subject to the conditions of this Agreement and the Offer;

WHEREAS, the Board of Directors of the Company (the "Board") has approved the making of the Offer and resolved to recommend that holders of Shares tender their Shares pursuant to the Offer; and

WHEREAS, also in furtherance of such acquisition, the Boards of Directors of CRI, Holdings, Purchaser and the Company have each approved this Agreement and declared its advisability and approved the merger (the "Merger") of Purchaser with and into the Company in accordance with the General Corporation Law of the State of Delaware ("Delaware Law"), following the consummation of the Offer and upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, CRI, Holdings, Purchaser and the Company hereby agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.01 Definitions. (a) For purposes of this Agreement:

"Acquisition Proposal" means any offer from any third party to acquire by any means all or any substantial part of the assets or the shares of capital stock of the Company or of any Subsidiary.

"affiliate" of a specified person means a person who, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such specified person.

"beneficial owner", with respect to any Shares, has the meaning ascribed to such term under Rule 13d-3(a) of the Exchange Act.

"business day" means any day on which the principal offices of the SEC in Washington, D.C. are open to accept filings; or, in the case of determining a date when any payment is due, any day (other than a Saturday or Sunday) on which banks are not required or authorized to close in the City of New York.

"control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise;

"Environmental Law" means any United States federal, state, local or non-United States law relating to (i) releases or threatened releases of Hazardous Substances or materials containing Hazardous Substances; (ii) the manufacture, handling, transport, use, treatment, storage or disposal of Hazardous Substances or materials containing Hazardous Substances; or (iii) pollution or protection of the environment.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the Company or any Subsidiary and which, together with the Company or any Subsidiary, is treated as a single employer within the meaning of Section 414(b), (c), (m) or (o) of the Code.

"Hazardous Substances" means (i) those substances defined in or regulated under the following United States federal statutes and their state counterparts, and all regulations thereunder: the Hazardous Materials Transportation Act, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Clean Water Act, the Safe Drinking Water Act, the Atomic Energy Act, the Federal Insecticide, Fungicide, and Rodenticide Act and the Clean Air Act; (ii) polychlorinated biphenyls, and (iii) any substance, material or waste regulated by any Governmental Authority pursuant to any Environmental Law.

"knowledge of the Company" means the actual knowledge of any director or officer of the Company.

"Liens" mean liens, security interests, charges, mortgages or other encumbrances of any kind.

"Material Adverse Effect" means, when used in connection with the Company or any Subsidiary, any event, circumstance, change or effect that is or is reasonably likely to be materially adverse to the business or financial condition of the Company and its Subsidiaries taken as a whole; provided that in no event shall any of the following be deemed to constitute or be taken into account in determining a Material Adverse Effect: any event, circumstance, change or effect that results from (i) changes affecting the economy generally, (ii) changes in the market price of natural gas, (iii) the public announcement or pendency of the Offer, the Merger or the other transactions contemplated hereby, or (iv) changes in the price of the Company's common stock.

"Oil and Gas Agreements" means the following types of agreements or contracts to which the Company or a Subsidiary is a party, whether as an original party, by succession or assignment or otherwise: oil and gas leases, farm-in and farm-out agreements, agreements providing for an overriding royalty interest, agreements providing for a royalty interest, agreements providing for a net profits interest, crude oil or natural gas sales or purchase contracts, joint operating agreements, unit operating agreements, unit agreements, field equipment leases, and agreements restricting the Company or a Subsidiary's ability to operate, obtain, explore for or develop interests in a particular geographic area.

"person" means an individual (including, without limitation, a "person" as defined in Section 13(d)(3) of the Exchange Act), corporation, partnership, limited partnership, limited liability company, syndicate, trust, association or entity or government, political subdivision, agency or instrumentality of a government.

"subsidiary" or "subsidiaries" of the Company, the Surviving Corporation, CRI or any other person means any and all corporations, partnerships, joint ventures, associations, limited liability companies and other entities controlled by such person, directly or indirectly, through one or more intermediaries.

"Superior Proposal" means any Acquisition Proposal which the Board determines, in its good faith judgment (after having received the advice of FBR or such other financial advisor of recognized reputation), to be more favorable to the Company's stockholders than the Offer and the Merger and for which financing, to the extent required, is then committed.

"Suspension Event" means the occurrence of any of the following: (i) any general suspension of trading in, or limitation on prices for, securities on any national securities exchange, Nasdaq or in the over-the-counter market in the United States, (ii) a declaration of a general banking moratorium or any suspension of payments in respect of banks in the United States, or (iii) any limitation (whether or not mandatory) by any Governmental Authority on, or other event that materially and adversely affects, the extension of credit by banks or other lending institutions.

"Tax" or "Taxes" shall mean any and all taxes, fees, levies, duties, tariffs, imposts and other charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any Governmental Authority or taxing authority, including, without limitation: taxes or other charges on or with respect to income, franchise, windfall or other profits, gross receipts, property, sales, use, capital stock, payroll, employment, social security, workers' compensation, unemployment compensation or net worth; taxes or other charges in the nature of excise, withholding, ad valorem, stamp, transfer, value-added or gains taxes; license, registration and documentation fees; and customers' duties, tariffs and similar charges.

(b) The following terms have the meaning set forth in the Sections set forth below:

DEFINED TERM	LOCATION OF DEFINITION
- Ableco	
Indebtedness	Section 6.01(e)
Action	Section 4.09
AFE	Section 6.01(j)
Agreement	Preamble
Blue Sky Laws	Section 4.05(b)
Board Recitals	
Certificate of Merger	Section 3.02
Certificates	Section 3.09(b)
Code	Section 4.10(b)
Company	Preamble
Company Preferred Stock	Section 4.03
Company's Oil and Gas Interests	Section 4.16(a)
Company Stock Option	Section 3.07
Company Stock Option Plans	Section 3.07
Confidentiality Agreement	Section 7.04(b)
CRI Preamble	
D&O	Section 7.07(b)
Delaware Law	Recitals
Disclosure Schedule	Section 4.01(b)
Dissenting Shares	Section 3.08(a)
Effective Time	Section 3.02
ERISA	Section 4.10(a)
Exchange Act	Section 2.01(a)
Fairness Opinion	Section 2.02(a)
Fee	Section 9.03(a)
FBR	Section 2.02
GAAP	Section 4.07(b)
Good and Marketable Title	Section 4.16(b)
Governmental Authority	Section 4.05(b)
Holdings	Preamble
Hydrocarbons	Section 4.13(b)

Initial Expiration Date	Section 2.01(a)
IRS	Section 4.10(a)
Material Contracts	Section 4.23
(a) Material Subsidiary	Section 4.01(c)
Merger	Recitals
Merger Consideration	Section 2.01(d)
Minimum Condition	Section 2.01(a)
Multiemployer Plan	Section 4.10(b)
Multiple Employer Plan	Section 4.10(b)
Offer	Recitals
Offer Documents	Section 2.01(e)
Offer to Purchase	Section 2.01(e)

Outstanding Options	Section 2.01(b)
Outstanding Warrants	Section 2.01(c)
Paying Agent	Section 3.09(a)
Permits	Section 4.06
Per Share Amount	Recitals
Plans	Section 4.10(a)
Proxy Statement	Section 4.12
Purchaser	Preamble
Recent Balance Sheet	Section 4.07(c)
Reserve Report	Section 4.17
Schedule 14D-9	Section 2.02(b)
Schedule TO	Section 2.01(e)
SEC	Section 2.01(a)
SEC Reports	Section 4.07(a)
Securities Act	Section 4.07(a)
Shares	Recitals
Share Acceptance Date	Section 2.01
Stockholders' Meeting	Section 7.01(a)
Subsidiary	Section 4.01(a)
Surviving Corporation	Section 3.03
Transactions	Section 2.02(a)
Warrant	Section 3.07

ARTICLE II
THE OFFER

SECTION 2.01 The Offer.

(a) Provided that none of the events set forth in Annex A hereto shall have occurred or be continuing, Purchaser shall commence the Offer as promptly as reasonably practicable but in no event later than seven (7) business days after the date hereof. The obligation of Purchaser to accept for payment Shares tendered pursuant to the Offer shall be subject to (i) the condition (the "Minimum Condition") that at least the number of Shares tendered shall constitute a 50% plus one share of the sum of the number of then outstanding Shares plus all Shares issuable upon the exercise of the Outstanding Options (as of the business day preceding the Initial Expiration Date) and Outstanding Warrants (as of the business day preceding the Initial Expiration Date) shall have been validly tendered and not withdrawn prior to the expiration of the Offer and (ii) the satisfaction or waiver of each of the other conditions set forth in Annex A hereto. Purchaser expressly reserves the right to waive any such condition set forth in Annex A, to increase the Per Share Amount, and to make any other changes in the terms and conditions of the Offer; provided, however, that no change may be made which decreases the Per Share Amount, changes the form of consideration payable, reduces the maximum number of Shares to be purchased in the Offer or imposes or modifies (other than to waive) conditions to the Offer in addition to those set forth in Annex A hereto. Subject to the terms of the Offer and this Agreement and the satisfaction or waiver of the Minimum Condition as of the scheduled expiration date, which shall initially be 20 business days following the commencement of the

Offer, and the other conditions set forth in Annex A hereto, Purchaser will accept for payment and pay for all Shares validly tendered and not withdrawn pursuant to the Offer as soon as practicable after such expiration date of the Offer (such date, as extended pursuant to this Agreement, the "Share Acceptance Date"). Notwithstanding the foregoing, Purchaser shall be entitled to extend the Offer from time to time without the consent of the Company: (i) until no later than January 11, 2002 if at the initial expiration of the Offer, which will be 12:00 midnight eastern standard time on the twentieth business day following commencement of the Offer, as may be extended (the "Initial Expiration Date"), the Minimum Condition is not satisfied, or (ii) until no later than December 31, 2001, if at the Initial Expiration Date, the Minimum Condition is satisfied, but any other condition to the Offer is not satisfied or waived. Purchaser agrees to extend the Offer from time to time until not later than December 31, 2001, if at the then scheduled expiration date, the Minimum Condition has not been satisfied or waived as permitted by this Agreement. Any extension of the Offer pursuant to this Section 2.01 shall not, without the written consent of the Company, exceed the number of days that Purchaser reasonably believes will be necessary so that the Minimum Condition will be satisfied. In addition, Purchaser may, without the consent of the Company, extend any then scheduled expiration date of the Offer for any period required by applicable rules, regulations, interpretations or positions of the Securities and Exchange Commission (the "SEC") or the staff thereof applicable to the Offer or for any period required by applicable law. If the Initial Expiration Date has occurred, but fewer than 90% of the Shares have been validly tendered and not withdrawn as of the Initial Expiration Date, Purchaser may provide for a subsequent offering period (as contemplated by Rule 14d-11 under the Securities Act of 1934, as amended (the "Exchange Act")) as long as providing for the subsequent offering period does not require the extension of the initial offer period under applicable rules and regulations of the SEC, which subsequent offering period shall not exceed 20 business days. In addition, the Per Share Amount may be increased and the Offer may be extended to the extent required by law in connection with such increase in each case without the consent of the Company. On or prior to the dates that Purchaser becomes obligated to accept for payment and pay for Shares pursuant to the Offer, Holdings shall provide or cause to be provided to Purchaser the funds necessary to pay for all Shares that Purchaser becomes so obligated to accept for payment and pay for pursuant to the Offer.

The Per Share Amount shall, subject to applicable withholding of taxes, be net to the seller in cash, upon the terms and subject to the conditions of the Offer. Notwithstanding the foregoing and subject to the applicable rules of the SEC and the terms and conditions of the Offer, Purchaser expressly reserves the right to delay payment for Shares in order to comply in whole or in part with applicable laws. Any such delay shall be effected in compliance with Rule 14e-1(c) under the Exchange Act.

(b) Following the execution of this Agreement, the Company shall use its reasonable best efforts to cause all holders (and such holders' spouses) of options to purchase Shares granted under the Company's 1997 Incentive Stock Option Plan and the Company's Directors Non-Qualified Option Plan , each as amended through the date of this Agreement (the "Company Stock Option Plans"), to execute prior to the Initial Expiration Date an Option Relinquishment and Release Agreement (herein so called) in the form attached hereto as Exhibit A. At the Share Acceptance Date, Purchaser shall cause the Paying Agent to pay to such holders who have previously delivered an Option Relinquishment and Release Agreement the cash amount equal to the product of (i) the number of Shares subject to such option (irrespective of

whether such option is then exercisable) and (ii) the amount by which the Per Share Amount exceeds the exercise or strike price per Share subject to such option less any required withholding taxes. In the event that an option holder fails to deliver an Option Relinquishment and Release Agreement prior to the Initial Expiration Date, such holder's options (the "Outstanding Options") shall, in accordance with the terms and conditions of the governing Company Stock Option Plan and the holder's stock option agreement(s), be converted without any action on the part of the holder thereof into the right to receive Merger Consideration upon the exercise of such holder's options in accordance with, and within the time period prescribed by, the applicable Company Stock Option Plan and the holder's stock option agreement(s). The Purchaser shall pay, or cause the Paying Agent to pay, to each holder of Outstanding Options, the Merger Consideration, less any required withholding taxes, as promptly as practicable after receiving a valid exercise of such options by the holder thereof. To the extent that options to purchase the Company's common stock are exercised by holders prior to the Effective Time, such holders shall receive certificates evidencing the Shares underlying the options and may surrender such certificates to the Paying Agent at the Effective Time for payment in cash as provided in Article III hereof.

(c) Following the execution of this Agreement, the Company shall send to holders of warrants to purchase Shares written notice of the Offer and Merger and such information required by the terms of such warrant. The Company shall send to all such persons a Warrant Relinquishment and Release Agreement (herein so called) in the form attached hereto as Exhibit B and shall use its reasonable best efforts to cause all holders of warrants (and such holders' spouses) to execute prior to the Initial Expiration Date a Warrant Relinquishment and Release Agreement. At the Share Acceptance Date, Purchaser shall cause the Paying Agent to pay to such holders who have previously delivered a Warrant Relinquishment and Release Agreement the cash amount equal to the product of (i) the number of Shares subject to such warrant and (ii) the amount by which the Per Share Amount exceeds the exercise price per share of Shares subject to such warrant less any required withholding taxes. In the event that a warrant holder fails to deliver a Warrant Relinquishment and Release Agreement prior to the Initial Expiration Date, such holder's warrants (the "Outstanding Warrants") shall, in accordance with the terms and conditions of the Outstanding Warrant be converted without any action on the part of the holder thereof into the right to receive Merger Consideration upon the exercise of such holder's warrants in accordance with the warrant agreement(s). The Purchaser shall pay, or cause the Paying Agent to pay, to each holder of Outstanding Warrants, the Merger Consideration, less any required withholding taxes, as promptly as practicable after receiving a valid exercise of such warrants by the holder thereof. To the extent that warrants to purchase the Shares are exercised by holders prior to the Effective Time, such holders shall receive certificates evidencing the Shares underlying the warrants and may surrender such certificates to the Paying Agent at the Effective Time for payment in cash as provided in Article III hereof.

(d) If the payment equal to the Per Share Amount in cash (the "Merger Consideration") is to be made to a person other than the person in whose name the surrendered certificate formerly evidencing Shares is registered on the stock transfer books of the Company, it shall be a condition of payment that the certificate so surrendered shall be endorsed properly or otherwise be in proper form for transfer and that the person requesting such payment shall have paid all transfer and other taxes required by reason of the payment of the Merger Consideration to a person other than the registered holder of the certificate surrendered, or shall have

established to the satisfaction of Purchaser that such taxes either have been paid or are not applicable.

(e) As promptly as reasonably practicable on the date of commencement of the Offer, Purchaser shall file with the SEC a Tender Offer Statement on Schedule TO (together with all amendments and supplements thereto, the "Schedule TO") with respect to the Offer.

The Schedule TO shall contain or shall incorporate by reference an offer to purchase (the "Offer to Purchase") and forms of the related letter of transmittal and any related summary advertisement (the Schedule TO, the Offer to Purchase and such other documents, together with all supplements and amendments thereto, being referred to herein collectively as the "Offer Documents"). Each of CRI, Purchaser and the Company agrees to correct promptly any information provided by it for use in the Offer Documents that shall have become false or misleading in any material respect, and CRI and Purchaser further agree to take all steps necessary to cause the Schedule TO, as so corrected, to be filed with the SEC, and the other Offer Documents, as so corrected, to be disseminated to holders of Shares, in each case as and to the extent required by applicable federal securities laws. CRI and Purchaser shall give the Company and its counsel a reasonable opportunity to review and comment on the Offer Documents prior to such documents being filed with the SEC or disseminated to holders of Shares. CRI and Purchaser shall provide the Company and its counsel with any comments CRI, Purchaser or their counsel may receive from the SEC or its staff with respect to the Offer Documents after the receipt of such comments and shall provide the Company and its counsel with a reasonable opportunity to participate in the response of CRI or Purchaser to such comments.

SECTION 2.02 Company Action.

(a) The Company hereby approves of and consents to the Offer and represents that (i) the Board, at a meeting duly called and held on November 4, 2001, has (a) determined that this Agreement and the transactions contemplated hereby, including each of the Offer and the Merger (collectively, the "Transactions"), are fair to, and in the best interests of, the holders of Shares, (b) approved, adopted and declared advisable this Agreement and the Transactions (such approval and adoption having been made in accordance with Delaware Law, including, without limitation, Section 203 thereof) and (c) resolved to recommend that the holders of Shares accept the Offer and tender their Shares pursuant to the Offer, and approve and adopt this Agreement and the Merger, and (ii) Friedman, Billings, Ramsey & Co., Inc. ("FBR") has delivered to the Board its opinion that the consideration to be received by the holders of Shares pursuant to each of the Offer and the Merger is fair to the holders of Shares from a financial point of view (the "Fairness Opinion"). The Company hereby consents to the inclusion in the Offer Documents of the recommendation of the Board described in the immediately preceding sentence, and the Company shall not withdraw or modify such recommendation in any manner adverse to CRI, Holdings or Purchaser except as provided in Section 7.05(b). The Company has been advised by its directors and executive officers that they intend to tender all Shares beneficially owned by them to Purchaser pursuant to the Offer.

(b) On the date the Offer Documents are filed with the SEC, the Company shall file with the SEC a Solicitation/Recommendation Statement on Schedule 14D-9 containing the Fairness Opinion and, except as provided in Section 7.05(b), the recommendation of the Board described in Section 2.02(a) (together with all amendments and supplements thereto, the "Schedule 14D-9"), and shall disseminate the Schedule 14D-9 to the extent required by Rule 14d-9 promulgated under the Exchange Act, and any other applicable federal securities laws. Each of CRI, Holdings, Purchaser and the Company agrees to correct promptly any information provided by it for use in the Schedule 14D-9 which shall have become false or misleading in any material respect, and the Company further agrees to take all steps necessary to cause the Schedule 14D-9, as so corrected, to be filed with the SEC and disseminated to holders of Shares, in each case as and to the extent required by applicable federal securities laws. The Company shall give CRI, Holdings, and Purchaser and their counsel a reasonable opportunity to review and comment on the Schedule 14D-9 prior to such document being filed with the SEC or disseminated to holders of Shares. The Company shall provide CRI, Holdings, and Purchaser and their counsel with any comments the Company or its counsel may receive from the SEC or its staff with respect to the Schedule 14D-9 after the receipt of such comments and shall provide CRI, Holdings, Purchaser and their counsel with a reasonable opportunity to participate in the response of the Company to such comments.

(c) The Company shall promptly cause its transfer agent to furnish Purchaser with mailing labels containing the names and addresses of all record holders of Shares and with security position listings of Shares held in stock depositories, each as of a recent date, together with all other available listings and computer files containing names, addresses and security position listings of record holders and beneficial owners of Shares. The Company shall promptly furnish Purchaser with such additional information, including, without limitation, updated listings and computer files of stockholders, mailing labels and security position listings, and such other assistance in disseminating the Offer Documents to holders of Shares as CRI, Holdings, or Purchaser may reasonably request. Subject to the requirements of applicable law, and except for such steps as are necessary to disseminate the Offer Documents and any other documents necessary to consummate the Offer or the Merger, CRI, Holdings, and Purchaser shall hold in confidence the information contained in such labels, listings and files, shall use such information only in connection with the Transactions, and, if this Agreement shall be terminated in accordance with Section 9.01, shall deliver and shall cause their agents to deliver to the Company all copies of such information then in their possession or control.

ARTICLE III
THE MERGER

SECTION 3.01 The Merger. Upon the terms and subject to the satisfaction or waiver of the conditions set forth in Article VIII, and in accordance with Delaware Law, Purchaser shall be merged with and into the Company.

SECTION 3.02 Effective Time; Closing. As promptly as practicable (but not later than two business days) after the satisfaction or, if permissible, waiver of the conditions set forth in Article VIII, the parties hereto shall cause the Merger to be consummated by filing this Agreement or a certificate of merger or certificate of ownership and merger (in either case, the "Certificate of Merger") with the Secretary of State of the State of Delaware, in such form as is

required by, and executed in accordance with, the relevant provisions of Delaware Law (the date and time of such filing being the "Effective Time"). Prior to such filing, a closing shall be held at the offices of Locke Liddell & Sapp LLP, 2200 Ross Avenue, Suite 2200, Dallas, Texas 75201, or such other place as the parties shall agree, for the purpose of confirming the satisfaction or waiver, as the case may be, of the conditions set forth in Article VIII.

SECTION 3.03 Effect of the Merger. As a result of the Merger, the separate corporate existence of Purchaser shall cease and the Company shall continue as the surviving corporation of the Merger (the "Surviving Corporation"). At the Effective Time, the effect of the Merger shall be as provided in the applicable provisions of Delaware Law. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, all the property, rights, privileges, powers and franchises of the Company and Purchaser shall vest in the Surviving Corporation, and all debts, liabilities, obligations, restrictions, disabilities and duties of the Company and Purchaser shall become the debts, liabilities, obligations, restrictions, disabilities and duties of the Surviving Corporation.

SECTION 3.04 Certificate of Incorporation; By-laws.

(a) At the Effective Time, the Certificate of Incorporation of Purchaser, as in effect immediately prior to the Effective Time, shall be the Certificate of Incorporation of the Surviving Corporation until thereafter amended as provided by law and such Certificate of Incorporation; provided, however, that, at the Effective Time, Article I of the Certificate of Incorporation of the Surviving Corporation shall be amended to read as follows: "The name of the corporation is DevX Energy, Inc."

(b) Unless otherwise determined by CRI prior to the Effective Time, and subject to Section 7.07(a), the By-laws of Purchaser, as in effect immediately prior to the Effective Time, shall be the By-laws of the Surviving Corporation until thereafter amended as provided by law, the Certificate of Incorporation of the Surviving Corporation and such By-laws.

SECTION 3.05 Directors and Officers. The directors of Purchaser shall be the initial directors of the Surviving Corporation, each to hold office in accordance with the Certificate of Incorporation and By-laws of the Surviving Corporation, and the officers of Purchaser immediately prior to the Effective Time shall be the initial officers of the Surviving Corporation, in each case until their respective successors are duly elected or appointed and qualified or until their earlier death, resignation or removal.

SECTION 3.06 Conversion of Securities. At the Effective Time, by virtue of the Merger and without any action on the part of Purchaser, the Company or the holders of any of the following securities:

(a) each Share issued and outstanding immediately prior to the Effective Time (other than any Shares to be canceled pursuant to Section 3.06(b) and any Dissenting Shares (as hereinafter defined)) shall be canceled and shall be converted automatically into the right to receive an amount equal to the Merger Consideration payable, without interest, to the holder of such Share, upon surrender, in the manner provided in Section 3.09, of the certificate that formerly evidenced such Share;

(b) each Share held in the treasury of the Company and each Share owned by CRI, Holdings, Purchaser, or the Company immediately prior to the Effective Time shall be canceled without any conversion thereof and no payment or distribution shall be made with respect thereto; and

(c) each share of common stock, par value $0.01 per share, of Purchaser issued and outstanding immediately prior to the Effective Time shall be converted into and exchanged for one validly issued, fully paid and nonassessable share of common stock, par value $0.01 per share, of the Surviving Corporation.

SECTION 3.07 Dissenting Shares.

(a) Notwithstanding any provision of this Agreement to the contrary, Shares that are outstanding immediately prior to the Effective Time and that are held by stockholders who shall have neither voted in favor of the Merger nor consented thereto in writing and who shall have demanded properly in writing appraisal for such Shares in accordance with Section 262 of Delaware Law (collectively, the "Dissenting Shares") shall not be converted into, or represent the right to receive, the Merger Consideration. Such stockholders shall be entitled to receive payment of the appraised value of such Shares held by them in accordance with the provisions of such Section 262, except that all Dissenting Shares held by stockholders who shall have failed to perfect or who effectively shall have withdrawn or lost their rights to appraisal of such Shares under such Section 262 shall thereupon be deemed to have been converted into, and to have become exchangeable for, as of the Effective Time, the right to receive the Merger Consideration, without any interest thereon, upon surrender, in the manner provided in Section 3.09, of the certificate or certificates that formerly evidenced such Shares.

(b) The Company shall give CRI (i) prompt notice of any demands for appraisal received by the Company, withdrawals of such demands, and any other instruments served pursuant to Delaware Law and received by the Company and (ii) the opportunity to direct all negotiations and proceedings with respect to demands for appraisal under Delaware Law. The Company shall not, except with the prior written consent of CRI, make any payment with respect to any demands for appraisal or offer to settle or settle any such demands.

SECTION 3.08 Surrender of Shares; Stock Transfer Books.

(a) Prior to the Effective Time, Purchaser shall designate a bank or trust company to act as agent (the "Paying Agent") for the holders of Shares to receive the funds to which holders of Shares shall become entitled pursuant to Section 3.06(a) and CRI shall make funds available to the Paying Agent. Such funds shall be invested by the Paying Agent as directed by the Surviving Corporation.

(b) Promptly after the Effective Time, the Surviving Corporation shall cause to be mailed to each person who was, at the Effective Time, a holder of record of Shares entitled to receive the Merger Consideration pursuant to Section 3.06(a) a form of letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the certificates evidencing such Shares (the "Certificates") shall pass, only upon proper delivery of the Certificates to the Paying Agent) and instructions for use in effecting the surrender of the

Certificates pursuant to such letter of transmittal. Upon surrender to the Paying Agent of a Certificate, together with such letter of transmittal, duly completed and validly executed in accordance with the instructions thereto, and such other documents as may be required pursuant to such instructions, the holder of such Certificate shall be entitled to receive and CRI shall cause Paying Agent to pay in exchange therefor the Merger Consideration for each Share formerly evidenced by such Certificate, and such Certificate shall then be canceled. No interest shall accrue or be paid on the Merger Consideration payable upon the surrender of any Certificate for the benefit of the holder of such Certificate. If the payment equal to the Merger Consideration is to be made to a person other than the person in whose name the surrendered certificate formerly evidencing Shares is registered on the stock transfer books of the Company, it shall be a condition of payment that the certificate so surrendered shall be endorsed properly or otherwise be in proper form for transfer and that the person requesting such payment shall have paid all transfer and other taxes required by reason of the payment of the Merger Consideration to a person other than the registered holder of the certificate surrendered, or shall have established to the satisfaction of Purchaser that such taxes either have been paid or are not applicable. If any holder of Shares is unable to surrender such holder's Certificates because such Certificates have been lost, mutilated or destroyed, such holder may deliver in lieu thereof an affidavit and indemnity bond in a reasonable amount in form and substance and with surety reasonably satisfactory to the Surviving Corporation.

(c) At any time following the sixth month after the Effective Time, the Surviving Corporation shall be entitled to require the Paying Agent to deliver to it any funds which had been made available to the Paying Agent and not disbursed to holders of Shares (including, without limitation, all interest and other income received by the Paying Agent in respect of all funds made available to it), and, thereafter, such holders shall be entitled to look to the Surviving Corporation and CRI (subject to abandoned property, escheat and other similar laws) only as general creditors thereof with respect to any Merger Consideration that may be payable upon due surrender of the Certificates held by them. Notwithstanding the foregoing, neither the Surviving Corporation nor the Paying Agent shall be liable to any holder of a Share for any Merger Consideration delivered in respect of such Share to a public official pursuant to any abandoned property, escheat or other similar law.

(d) At the close of business on the day of the Effective Time, the stock transfer books of the Company shall be closed and thereafter there shall be no further registration of transfers of Shares on the records of the Company. From and after the Effective Time, the holders of Shares outstanding immediately prior to the Effective Time shall cease to have any rights with respect to such Shares except as otherwise provided herein or by applicable law.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

As an inducement to CRI, Holdings and Purchaser to enter into this Agreement, the Company hereby represents and warrants to CRI, Holdings and Purchaser that:

SECTION 4.01 Organization and Qualification; Subsidiaries.

(a) Except as disclosed in Section 4.01 of the Disclosure Schedule, each of the Company and each subsidiary of the Company (a "Subsidiary") is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has the requisite corporate power and authority to own, lease and operate its properties and to carry on its business as it is now being conducted. The Company and each Subsidiary is duly qualified or licensed as a foreign corporation to do business and is in good standing, in each jurisdiction where the character of the properties owned, leased or operated by it or the nature of its business makes such qualification or licensing necessary, except where such failure to be qualified or licensed would not have a Material Adverse Effect.

(b) A true and complete list of all the Subsidiaries, together with the jurisdiction of incorporation of each Subsidiary, the percentage of the outstanding capital stock of each Subsidiary owned by the Company and each other Subsidiary and the names of the directors and officers of each Subsidiary, is set forth in Section 4.01(b) of the Disclosure Schedule, which has been prepared by the Company and delivered by the Company to CRI, Holdings and Purchaser prior to the execution and delivery of this Agreement (the "Disclosure Schedule"). Except as disclosed in Section 4.01(b) of the Disclosure Schedule, the Company does not directly or indirectly own any equity or similar interest in, or any interest convertible into or exchangeable or exercisable for any equity or similar interest in, any corporation, partnership, joint venture or other business association or entity.

(c) All names by which the Company previously conducted business or was known as are listed in Section 4.01(c) of the Disclosure Schedule.

SECTION 4.02 Certificate of Incorporation and By-laws. The Company has heretofore furnished to CRI a complete and correct copy of the Certificate of Incorporation and the By-laws or equivalent organizational documents, each as amended to date, of the Company and each Subsidiary. Such Certificates of Incorporation, By-laws or equivalent organizational documents are in full force and effect. Neither the Company nor any Subsidiary is in violation of any of the provisions of its Certificate of Incorporation, By-laws or equivalent organizational documents.

SECTION 4.03 Capitalization. The authorized capital stock of the Company consists of 100,000,000 shares of common stock, par value $0.234 per share, and 50,000,000 shares of preferred stock, par value $0.01 per share ("Company Preferred Stock") of which 9,600,000 shares have been designated as Series A Preferred Stock, 9,600,000 shares have been designated as Series B Preferred Stock and 10,400 shares have been designated as Series C Preferred Stock. As of the date hereof, (a) 12,649,522 Shares were issued and outstanding, all of which are validly issued, fully paid and nonassessable, (b) 100,000 Shares are held in the treasury of the Company, (c) no Shares are held by the Subsidiaries, (d) 522,500 Shares are reserved for future issuance pursuant to outstanding stock options or stock incentive rights granted pursuant to the Company Stock Option Plans and (e) 265,000 Shares are reserved for future issuance pursuant to exercise of the Warrants. As of the date hereof, no shares of Company Preferred Stock are issued and outstanding. Except as set forth in this Section 4.03 or in Section 4.03 of the Disclosure Schedule, there are no options, warrants or other rights, agreements, arrangements or commitments of any character relating to the issued or unissued capital stock of the Company or any Subsidiary or obligating the Company or any Subsidiary to issue or sell any shares of capital stock of, or other equity interests in, the Company or any Subsidiary. Section 4.03 of the

Disclosure Schedule sets forth the following information with respect to each Company Stock Option and Warrant outstanding on the date of this Agreement: (i) the name of the Option or Warrant holder; (ii) the particular plan pursuant to which such Company Stock Option was granted; (iii) the number of Shares subject to such Company Stock Option or Warrant; (iv) the exercise price of such Company Stock Option or Warrant; (v) the date on which such Company Stock Option or Warrant was granted or issued; (vi) the applicable vesting schedule; (vii) the date on which such Company Stock Option or Warrant expires; and (viii) whether the exercisability of such Option or Warrant will be accelerated in any way by the transactions contemplated by this Agreement. All Shares subject to issuance as aforesaid, upon issuance on the terms and conditions specified in the instruments pursuant to which they are issuable, will be duly authorized, validly issued, fully paid and nonassessable. There are no outstanding contractual obligations of the Company or any Subsidiary to repurchase, redeem or otherwise acquire any Shares or any capital stock of any Subsidiary or to provide funds to, or make any investment (in the form of a loan, capital contribution or otherwise) in, any Subsidiary or any other person. Except as disclosed in Section 4.03 of the Disclosure Schedule, each outstanding share of capital stock of each Subsidiary is duly authorized, validly issued, fully paid and nonassessable, and each such share is owned by the Company or another Subsidiary free and clear of all security interests, liens, claims, pledges, options, rights of first refusal, agreements, limitations on the Company's or any Subsidiary's voting rights, charges and other encumbrances of any nature whatsoever.

SECTION 4.04 Authority Relative to This Agreement. The Company has all necessary corporate power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the Transactions. The execution and delivery of this Agreement by the Company and the consummation by the Company of the Transactions have been duly and validly authorized by all necessary corporate action, and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement or to consummate the Transactions (other than, with respect to the Merger, the approval and adoption of this Agreement by the holders of a majority of the then-outstanding Shares, if and to the extent required by applicable law, and the filing and recordation of appropriate merger documents as required by Delaware Law). This Agreement has been duly and validly executed and delivered by the Company and, assuming the due authorization, execution and delivery by CRI, Holdings, and Purchaser, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms. At a meeting duly called and held on November 4, 2001, the Board approved this Agreement and the Transactions, and such approvals are sufficient so that the restrictions on business combinations set forth in Section 203(a) of Delaware Law shall not apply to the Merger.

SECTION 4.05 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by the Company do not, and the performance of this Agreement by the Company will not, (i) conflict with or violate the Certificate of Incorporation or By-laws or equivalent organizational documents of the Company or any Subsidiary, (ii) assuming that all consents, approvals, authorizations and other actions described in Section 4.05(b) have been obtained and all filings and obligations described in Section 4.05(b) have been made, conflict with or violate any United States or non-United States national, state, provincial, municipal, county or local statute, law, ordinance, regulation, rule,

code, executive order, injunction, judgment, decree or other order ("Law") applicable to the Company or any Subsidiary or by which any property or asset of the Company or any Subsidiary is bound or affected, or (iii) other than as described in Section 4.05(a) of the Disclosure Schedule, result in any breach of or constitute a default (or an event which, with notice or lapse of time or both, would become a default) under, or give to others any right of termination, amendment, acceleration or cancellation of, or result in the creation of a lien or other encumbrance on any property or asset of the Company or any Subsidiary pursuant to or under, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which the Company or any Subsidiary is a party or by which any property or asset of the Company or any Subsidiary is bound or affected, except, with respect to clause (ii) or (iii), for any such conflicts, violations, breaches, defaults or other occurrences which would not prevent or materially delay consummation of the Offer or Merger, or otherwise prevent or materially delay the Company from performing its obligations under this Agreement and would not have a Material Adverse Effect.

(b) The execution and delivery of this Agreement by the Company do not, and the performance of this Agreement by the Company will not, require any consent, approval, authorization or permit of, or filing with or notification to, any United States or non-United States national, state, provincial, municipal, county or local government, governmental, regulatory or administrative authority, agency, instrumentality or commission or any court, tribunal, or judicial or arbitral body (a "Governmental Authority"), except (i) for applicable requirements, if any, of the Exchange Act, state securities or "blue sky" laws ("Blue Sky Laws") and state takeover laws, (ii) filing and recordation of appropriate merger documents as required by Delaware Law, and (iii) where the failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not prevent or materially delay consummation of the Offer or the Merger, or otherwise prevent or materially delay the Company from performing its obligations under this Agreement and would not have a Material Adverse Effect.

SECTION 4.06 Permits; Compliance. Each of the Company and the Subsidiaries is in possession of all franchises, grants, authorizations, licenses, permits, easements, variances, exceptions, consents, certificates, approvals and orders of any Governmental Authority necessary for each of the Company or the Subsidiaries to own, lease and operate its properties or to carry on its business as it is now being conducted, or as presently contemplated to be conducted (the "Permits"), except where the failure to have, or the suspension or cancellation of, any of the Permits would not prevent or materially delay consummation of the Offer or the Merger or otherwise prevent or materially delay the Company from performing its obligations under this Agreement and would not have a Material Adverse Effect. No suspension or cancellation of any of the Permits is pending or, to the knowledge of the Company, threatened, which suspension or cancellation would have a Material Adverse Effect. Neither the Company nor any Subsidiary is in conflict with, or in default, breach or violation of, (a) any Law applicable to the Company or any Subsidiary or by which any property or asset of the Company or any Subsidiary is bound or affected, or (b) any note, bond, mortgage, indenture, contract, agreement, lease, license, Permit, franchise or other instrument or obligation to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary or any property or asset of the Company or any Subsidiary is bound, except for any such conflicts, defaults, breaches or violations that would not prevent or materially delay consummation of the Offer or the Merger or otherwise prevent or

materially delay the Company from performing its obligations under this Agreement and would not have a Material Adverse Effect.

SECTION 4.07 SEC Filings; Financial Statements.

(a) The Company has filed all forms, reports and documents required to be filed by it with the SEC since July 1, 1999, including (i) its Transition Report on Form 10-K for the Transition Period from July 1, 2000 to December 31, 2000, (ii) its Annual Report on Form 10-K for the fiscal year ended June 30, 2000, (iii) its Quarterly Reports on Form 10-Q for the periods ended June 30, 2001 and March 31, 2001, (iv) all proxy statements relating to the Company's meetings of stockholders (whether annual or special) held since July 1, 1999 and (v) all other forms, reports and other registration statements (other than Quarterly Reports on Form 10-Q not referred to in clause (iii) above) filed by the Company with the SEC since July 1, 1999 (the forms, reports and other documents referred to in clauses (i) - (v) above being, collectively, the "SEC Reports"). The SEC Reports (i) were prepared in accordance with either the requirements of the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, as the case may be, and the rules and regulations promulgated thereunder, and (ii) did not, at the time they were filed, or, if amended, as of the date of such amendment, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(b) Each of the consolidated financial statements (including, in each case, any notes thereto) contained in the SEC Reports was prepared in accordance with United States generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods indicated (except as may be indicated in the notes thereto) and each fairly presents, in all material respects, the consolidated financial position, results of operations and cash flows of the Company and its consolidated Subsidiaries as at the respective dates thereof and for the respective periods indicated therein except as otherwise noted therein and for normal, recurring year-end adjustments.

(c) Except as and to the extent set forth on the consolidated balance sheet of the Company and the consolidated Subsidiaries as at June 30, 2001 including the notes thereto (the "Recent Balance Sheet") or as specifically disclosed in SEC Reports filed since June 30, 2001 and prior to the date of this Agreement, neither the Company nor any Subsidiary has any liability or obligation of any nature (whether accrued, absolute, contingent or otherwise), except for liabilities and obligations incurred in the ordinary course of business consistent with past practice since June 30, 2001.

(d) The Company has heretofore furnished to CRI complete and correct copies of all amendments and modifications that have not been filed by the Company with the SEC to all agreements, documents and other instruments that previously had been filed by the Company with the SEC and are currently in effect.

SECTION 4.08 Absence of Certain Changes or Events. Since December 31, 2000, except as set forth in Section 4.08 of the Disclosure Schedule, or as expressly contemplated by this Agreement, or specifically disclosed in the SEC Reports filed since December 31, 2000 and

prior to the date of this Agreement, (a) the Company and the Subsidiaries have conducted their businesses only in the ordinary course and in a manner consistent with past practice, and (b) there has not been any Material Adverse Effect.

SECTION 4.09 Absence of Litigation. Except as set forth in Section 4.09 of the Disclosure Schedule, there is no litigation, suit, claim, action, proceeding or investigation (an "Action") pending or, to the knowledge of the Company, threatened against the Company or any Subsidiary, or any property or asset of the Company or any Subsidiary, before any Governmental Authority that would have a Material Adverse Effect. Neither the Company nor any Subsidiary nor any property or asset of the Company or any Subsidiary is subject to any continuing order of, consent decree, settlement agreement or similar written agreement with, or continuing investigation by, any Governmental Authority, or any order, writ, judgment, injunction, decree, determination or award of any Governmental Authority that would prevent or materially delay consummation of the Offer or the Merger or otherwise prevent or materially delay the Company from performing its obligations under this Agreement or would have a Material Adverse Effect.

SECTION 4.10 Employee Benefit Plans.

(a) Section 4.10(a) of the Disclosure Schedule lists (i) all employee benefit plans (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) and all bonus, stock option, stock purchase, restricted stock, incentive, deferred compensation, retiree medical or life insurance, supplemental retirement, severance or other benefit plans, programs or arrangements, and all employment, termination, severance or other contracts or agreements, whether legally enforceable or not, to which the Company or any Subsidiary is a party, with respect to which the Company, any Subsidiary or any ERISA Affiliate has any obligation or which are maintained, contributed to or sponsored by the Company or any Subsidiary for the benefit of any current or former employee, officer or director of, or any current or former consultant to, the Company or any Subsidiary, (ii) each employee benefit plan for which the Company or any Subsidiary could incur liability under Section 4069 of ERISA in the event such plan has been or were to be terminated, (iii) any plan in respect of which the Company or any Subsidiary could incur liability under Section 4212(c) of ERISA, and (iv) any contracts, arrangements or understandings between the Company or any Subsidiary and any employee of the Company or any Subsidiary including, without limitation, any contracts, arrangements or understandings relating in any way to a sale of the Company or any Subsidiary (collectively, the "Plans"). Each Plan is in writing (or a written summary exists) and the Company has made available to Purchaser a true and complete copy of each Plan and has made available to Purchaser a true and complete copy of each material document, if any, prepared in connection with each such Plan, including, without limitation, (i) a copy of each trust or other funding arrangement, if such a trust or funding arrangement exists, (ii) each summary plan description and summary of material modifications thereto, (iii) the most recent three years' Internal Revenue Service ("IRS") Forms 5500, if applicable (iv) the most recently received IRS determination letter for each such Plan, if applicable, and (v) the most recent three years' actuarial reports and financial statements in connection with each such Plan, if applicable.

(b) None of the Plans is a multiemployer plan (within the meaning of Section 3(37) or 4001(a)(3) of ERISA) (a "Multiemployer Plan") or a single-employer plan (within the meaning of Section 4001(a)(15) of ERISA) for which the Company or any Subsidiary could

incur liability under Section 4063 or 4064 of ERISA (a "Multiple Employer Plan"). Except as listed in Section 4.10(a) of the Disclosure Schedule, none of the Plans (i) provides for the payment of separation, severance or similar-type benefits to any person, (ii) obligates the Company or any Subsidiary to pay separation, severance or similar-type benefits solely or partially as a result of any transaction contemplated by this Agreement, or (iii) obligates the Company or any Subsidiary to make any payment or provide any benefit as a result of a "change in control", within the meaning of such term under Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"). Except as listed in Section 4.10(a) of the Disclosure Schedule, none of the Plans provides for or promises retiree medical, disability or life insurance benefits to any current or former employee, officer or director of the Company or any Subsidiary.

(c) Each Plan is now and always has been operated in all material respects in accordance with its terms and the requirements of all applicable Laws including, without limitation, ERISA and the Code. The Company and the Subsidiaries have performed all obligations required to be performed by them under, are not in any material respect in default under or in violation of, and have no knowledge of any material default or violation by any party to, any Plan. No Action or any audit or investigation by any Governmental Authority is pending or, to the knowledge of the Company, threatened with respect to any Plan (other than claims for benefits in the ordinary course) and no fact or event exists that could reasonably be expected to give rise to any such Action.

(d) Each Plan that is intended to be qualified under Section 401(a) of the Code has timely received a favorable determination, opinion, advisory or notification letter from the IRS that the Plan is so qualified and each trust established in connection with any Plan which is intended to be exempt from federal income taxation under Section 501(a) of the Code has received an opinion, advisory or modification letter from the IRS that it is so exempt, and no fact or event has occurred since the date of such letter or letters from the IRS that could reasonably be expected to adversely affect the qualified status of any such Plan or the exempt status of any such trust.

(e) There has not been to the best of Company's knowledge any prohibited transaction (within the meaning of Section 406 of ERISA or Section 4975 of the Code) with respect to any Plan. Neither the Company nor any Subsidiary has incurred any liability under, arising out of or by operation of Title IV of ERISA (other than liability for premiums to the Pension Benefit Guaranty Corporation arising in the ordinary course), including, without limitation, any liability in connection with (i) the termination or reorganization of any employee benefit plan subject to Title IV of ERISA, or (ii) the withdrawal from any Multiemployer Plan or Multiple Employer Plan, and no fact or event exists which could reasonably be expected to give rise to any such liability.

(f) All contributions, premiums or payments required to be made with respect to any Plan have been made on or before their due dates. All such contributions have been fully deducted for income tax purposes and no such deduction has been challenged or disallowed by any Governmental Authority and no fact or event exists to the best of Company's knowledge which could reasonably be expected to give rise to any such challenge or disallowance.

(g) None of the Plans is subject to the laws of any country other than the United States.

SECTION 4.11 Labor and Employment Matters.

(a) Section 4.11 of the Disclosure Schedule sets forth a list of all employees of the Company and any Subsidiary, together with their dates of hire, and any employees currently on leave of absence, indicating the nature of and length of such leave and whether such employees have employment agreements. The Company has previously provided to CRI a schedule setting forth current base salary and total wages paid in the prior year for all employees listed in Section 4.11 of the Disclosure Schedule. Except as set forth in Section 4.11 of the Disclosure Schedule, (i) there are no controversies pending or, to the knowledge of the Company, threatened between the Company or any Subsidiary and any of their respective employees; (ii) neither the Company nor any Subsidiary is a party to any collective bargaining agreement or other labor union contract applicable to persons employed by the Company or any Subsidiary, nor, to the knowledge of the Company, are there any activities or proceedings of any labor union to organize any such employees; (iii) there are no unfair labor practice complaints pending against the Company or any Subsidiary before the National Labor Relations Board or any current union representation questions involving employees of the Company or any Subsidiary; (iv) there is no strike, slowdown, work stoppage or lockout, or, to the knowledge of the Company, threat thereof, by or with respect to any employees of the Company or any Subsidiary; and (v) there are no currently effective agreements relating to severance or similar payments or other benefits to be provided to directors, officers, employees, consultants or former employees of the Company or any Subsidiary in connection with or after termination of such director, officer, consultant or employee's employment or other relationship with the Company or that may otherwise be owing as a result of the Transactions.

(b) The Company and the Subsidiaries are in material compliance with all applicable laws relating to the employment of labor, including those related to wages, hours, collective bargaining and the payment and withholding of taxes and other sums as required by the appropriate Governmental Authority, and have withheld and paid to the appropriate Governmental Authority or are holding for payment not yet due to such Governmental Authority all amounts required to be withheld from employees of the Company or any Subsidiary and are not liable for any arrears of wages, Taxes, penalties or other sums for failure to comply with any of the foregoing. The Company and the Subsidiaries have paid in full to all employees or adequately accrued for in accordance with GAAP consistently applied all wages, salaries, commissions, bonuses, benefits and other compensation due to or on behalf of such employees, and there is no claim with respect to payment of wages, salary or overtime pay that has been asserted or is now pending or threatened before any Governmental Authority with respect to any persons currently or formerly employed by the Company or any Subsidiary. Neither the Company nor any Subsidiary is a party to, or otherwise bound by, any consent decree with, or citation by, any Governmental Authority relating to employees or employment practices. There is no charge of discrimination in employment or employment practices, for any reason, including, without limitation, age, gender, race, religion or other legally protected category, which has been asserted or is now pending or, to the knowledge of the Company, threatened before the United States Equal Employment Opportunity Commission, or any other

Governmental Authority in any jurisdiction in which the Company or any Subsidiary have employed or employ any person, except as would not have a Material Adverse Effect.

(c) The Company and the Subsidiaries are in compliance with the provisions of the WARN Act and any similar state laws. Section 4.11 of the Disclosure Schedule lists all employees who have been terminated in the 90-day period ending as of the date hereof.

SECTION 4.12 Offer Documents; Schedule 14D-9.

Neither the Schedule 14D-9 nor any information supplied by the Company for inclusion in the Offer Documents shall, at the times the Schedule 14D-9, the Offer Documents or any amendments or supplements thereto are filed with the SEC or are first published, sent or given to stockholders of the Company, as the case may be, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, the Company makes no representation or warranty with respect to any information supplied by CRI, Holdings, Purchaser or any of CRI, Holdings or Purchaser's representatives for inclusion in the Schedule 14D-9. The Schedule 14D-9 shall comply in all material respects as to form with the requirements of the Exchange Act and the rules and regulations thereunder.

SECTION 4.13 Oil and Gas Operations. Except as set forth in Section 4.13 of the Disclosure Schedule, proceeds from the sale of crude oil, natural gas liquids and other hydrocarbons produced from crude oil or natural gas ("Hydrocarbons") produced from the Company's Oil and Gas Interests are being received by the Company and the Subsidiaries in a timely manner and are not being held in suspense for any reason (except in the ordinary course of business or which would not have a Material Adverse Effect).

SECTION 4.14 Gas Imbalances. Except as set forth in Section 4.14 of the Disclosure Schedule, none of the Company or the Subsidiaries has received any material deficiency payment under any gas contract for which any person has a right to take deficiency gas from the Company or a Subsidiary, nor has the Company or any Subsidiary received any material payment for production which is subject to refund or recoupment out of future production.

SECTION 4.15 Oil and Gas Agreements. The Company has previously provided or made available to CRI true and complete copies of all the Oil and Gas Agreements together with all amendments, extensions and other modifications thereof.

SECTION 4.16 Properties.

(a) Except for items disclosed in Section 4.16 of the Disclosure Schedule and goods and other property sold, used or otherwise disposed of since June 30, 2001 in the ordinary course of business, the Company and the Subsidiaries have Good and Marketable Title, for oil and gas purposes, in and to all oil and gas properties set forth in the Reserve Report as owned by the Company and the Subsidiaries (the "Company's Oil and Gas Interests"), and defensible title for oil and gas purposes to all other properties, interests in properties and assets, real and personal, reflected on the balance sheet of the Company in its Quarterly Report on Form 10-Q for the period ended June 30, 2001, as owned by the Company and the Subsidiaries, free and

clear of any Liens, except: (i) Liens associated with obligations reflected in the SEC Reports; (ii) Liens for current Taxes not yet due and payable, (iii) materialman's, mechanic's, repairman's, employee's, contractors, operator's, and other similar liens, charges or encumbrances arising in the ordinary course of business (A) if they have not been perfected pursuant to law, (B) if perfected, they have not yet become due and payable or payment is being withheld as provided by law, or (C) if their validity is being contested in good faith by appropriate action, (iv) all rights to consent by, required notices to, filings with, or other actions by governmental entities in connection with the sale or conveyance of oil and gas leases or interests if they are customarily obtained subsequent to the sale or conveyance, and (v) such imperfections of title, easements and Liens which have not had, or would not reasonably be expected to have, a Material Adverse Effect. To the knowledge of the Company, all leases and other agreements pursuant to which the Company or any of the Subsidiaries leases or otherwise acquires or obtains operating rights affecting any real or personal property are in good standing, valid and effective and all royalties, rentals and other payment due by the Company to any lessor of any such oil and gas leases have been paid, except in each case, as has not had, and would not reasonably be expected to have, a Material Adverse Effect. All major items of operating equipment of the Company and the Subsidiaries used in connection with the Company's Oil and Gas Interests over which the Company has operating rights are in good operating condition and in a state of reasonable maintenance and repair, ordinary wear and tear excepted, except as has not had, and would not reasonably be expected to have, a Material Adverse Effect.

(b) The term "Good and Marketable Title" will, for purposes of this Section 4.16, with respect to the Company and the Subsidiaries, mean such title that: (i) is deducible of record (from the records of the applicable parish or county or (A) in the case of federal leases, from the records of the applicable office of the Minerals Management Service or Bureau of Land Management, (B) in the case of Indian leases, from the applicable office of the Bureau of Indian Affairs, (C) in the case of state leases, from the records of the applicable state land office) or is assignable to the Company or the Subsidiaries out of an interest of record (as so defined) by reason of the performance by the Company or the Subsidiaries of all operations required to earn an enforceable right to such assignment; (ii) entitles the Company or the Subsidiaries to receive not less than the interest set forth in the Reserve Report with respect to each proved property evaluated therein under the caption "Net Revenue Interest" or "NRI" without reduction during the life of such property except as stated in the Reserve Report; (iii) obligates the Company or the Subsidiaries to pay costs and expenses relating to each such proved property in an amount not greater than the interest set forth under the caption "Working Interest" or "WI" in the Reserve Report with respect to such property without increase over the life of such property except as shown on the Reserve Report; and (iv) does not restrict the ability of the Company or the Subsidiaries to utilize the properties as currently intended; except in each case where deficiencies referenced in clauses (i) through (iv) would reasonably be expected to have a Material Adverse Effect.

SECTION 4.17 Oil and Gas Reserves. The Company has furnished CRI prior to the date of this Agreement with the Company's estimates of its and the Subsidiaries' oil and gas reserves as of June 30, 2001 (the "Reserve Report"). To the knowledge of the Company, except as have not had, and would not reasonably be expected to have, a Material Adverse Effect, the production volumes and pressure data used to prepare the Reserve Report were accurate.

SECTION 4.18 Take-or-Pay Deliveries. Except as would not reasonably be expected to have a Material Adverse Effect, there are no calls (exclusive of market calls) on the Company's oil or gas production and the Company has no obligation to deliver oil or gas pursuant to any take-or-pay, prepayment or similar arrangement without receiving full payment therefor, excluding gas imbalances disclosed in Section 4.14 of the Disclosure Schedule.

SECTION 4.19 Hedging. Section 4.19 of the Disclosure Schedule sets forth all futures, hedge, swap, collar, put, call, floor, cap, option or other contracts that are intended to benefit from, relate to or reduce or eliminate the risk of fluctuations in the price of commodities, including Hydrocarbons or securities, to which the Company or any of the Subsidiaries is bound.

SECTION 4.20 Intellectual Property. The Company and the Subsidiaries own or possess all necessary licenses or other valid rights to use all patents, patent rights, trademarks, trademark rights and proprietary information used or held for use in connection with their respective businesses as currently being conducted, free and clear of Liens, and to the knowledge of the Company, there are no assertions or claims challenging the validity of any of the foregoing which would have, or would reasonably be expected to have, a Material Adverse Effect. Except in the ordinary course of business, neither the Company nor any of the Subsidiaries has granted to any other person any license to use any of the foregoing. To the knowledge of the Company, the conduct of the Company's and the Subsidiaries' respective businesses as currently conducted does not conflict with any patents, patent rights, licenses, trademarks, trademark rights, trade names, trade name rights or copyrights of others in a way which would have, or would be reasonably expected to have, a Material Adverse Effect. To the knowledge of the Company there is no infringement of any proprietary right owned by the Company or any of the Subsidiaries in a way which would have, or would be reasonably expected to have, a Material Adverse Effect.

SECTION 4.21 Taxes.

(a) Each of the Company, the Subsidiaries and each affiliated, consolidated, combined, unitary or similar group of which any such corporation or entity is or was a member has (i) duly filed (or there has been filed on its behalf) on a timely basis (taking into account any extensions of time to file before the date hereof) with appropriate Governmental Authorities all Tax returns, statements, reports, declarations, estimates and forms ("Returns") required to be filed by or with respect to it, except to the extent that any failure to file would not have, or reasonably be expected to have, a Material Adverse Effect, and (ii) duly paid or deposited in full on a timely basis or made adequate provisions in accordance with generally accepted accounting principles (or there has been paid or deposited or adequate provision has been made on its behalf) for the payment of all Taxes required to be paid by it other than those being contested in good faith by the Company or a Subsidiary and except to the extent that any failure to pay or deposit or make adequate provision for the payment of such Taxes would not have, or reasonably be expected to have, a Material Adverse Effect.

(b) Except to the extent set forth in Section 4.21 of the Disclosure Schedule, (i) none of the federal income tax returns of the Company or any of the Subsidiaries have been examined by the IRS for all periods; (ii) as of the date hereof, neither the Company nor any of the Subsidiaries has granted any requests, agreements, consents or waivers to extend the

statutory period of limitations applicable to the assessment of any Taxes with respect to any Returns of the Company or any of the Subsidiaries that will be outstanding as of the Effective Time; (iii) neither the Company nor any of the Subsidiaries is a party to, is bound by or has any obligation under any Tax sharing, allocation or indemnity agreement or any similar agreement or arrangement that would have, or would reasonably be expected to have, a Material Adverse Effect; and (iv) there are no Liens for Taxes on any assets of the Company or the Subsidiaries except for Taxes not yet currently due, with respect to matters being contested by the Company in good faith for which adequate reserves are reflected in the financial statements and those which could not reasonably be expected to result in a Material Adverse Effect.

SECTION 4.22 Environmental Matters.

(a) Except as would not have, or reasonably be expected to have, a Material Adverse Effect, to the knowledge of the Company, there are not any present or past conditions or circumstances at, or arising out of, any current or former businesses, assets or properties of the Company or any Subsidiary, including but not limited to, on-site or off-site disposal or release of any Hazardous Substance, which constitute a violation under any Environmental Law or could reasonably be expected to give rise to: (i) liabilities or obligations for any notification, cleanup, remediation, disposal or corrective action under any Environmental Law or (ii) claims arising for damage to natural resources.

(b) Except as would not have, or reasonably be expected to have, a Material Adverse Effect, neither the Company nor any of the Subsidiaries has (i) received any written notice of noncompliance with, violation of, or liability or potential liability under any Environmental Law, (ii) received any written notice regarding any existing, pending or threatened investigation or inquiry related to alleged violations under any Environmental Law or regarding any claims for remedial obligations or contribution under any Environmental Law or (iii) entered into any consent decree or order or is subject to any order of any court or governmental authority or tribunal under any Environmental Law or relating to the cleanup of any Hazardous Substance.

(c) Except as would not have, or reasonably be expected to have, a Material Adverse Effect, the Company and the Subsidiaries have in full force and effect all permits, licenses, approvals and other authorizations required by Environmental Laws to conduct their operations and to operate and use any of the Company's or the Subsidiaries' assets for their current purposes and uses and are operating in material compliance thereunder.

(d) Except as would not have or reasonably be expected to have a Material Adverse Effect, the Company does not know of any reason that would preclude it from renewing or obtaining a reissuance or transfer of the permits, licenses, approvals, or other authorizations required pursuant to any applicable Environmental Law to conduct their operations and to operate and use any of the Company's or the Subsidiaries' assets for their current purposes and uses.

SECTION 4.23 Material Contracts.

(a) Other than the Oil and Gas Agreements, which have been previously made available or provided to CRI, subsections (i) through (xii) of Section 4.23 of the Disclosure Schedule contain a list of the following types of contracts and agreements to which the Company or any Subsidiary is a party (such contracts, agreements and arrangements as are required to be set forth in Section 4.23(a) of the Disclosure Schedule, together with the Oil and Gas Agreements, being the "Material Contracts"):

(i) each contract or agreement that contemplates an exchange of consideration with a value of more than $250,000 net to the Company's interest;

(ii) all management contracts (excluding contracts for employment) and contracts with other consultants, including any contracts involving the payment of royalties or other amounts calculated based upon the revenues or income of the Company or any Subsidiary or income or revenues related to any product of the Company or any Subsidiary, which require continued payment thereunder and cannot be terminated by the Company or Subsidiary, as the case may be, with 30-day notice;

(iii) all contracts and agreements evidencing indebtedness for borrowed money of the Company;

(iv) all contracts and agreements with any Governmental Authority, excluding state leases or other governmental mineral rights;

(v) all contracts and agreements providing for benefits under any Plan, excluding individual stock option grant agreements and stock subscription agreements;

(vi) all agreements related to professional services rendered to the Company or any Subsidiary in connection with the Offer, the Merger and this Agreement;

(vii) all contracts providing for "earn-out" or similar contingent payments in excess of $250,000 by the Company or any Subsidiary;

(viii) all joint venture, partnership, and similar agreements;

(ix) all contracts for employment required to be listed in Section 4.11 of the Disclosure Schedule;

(x) all contracts providing for indemnification of directors, officers, employees, consultants or other persons other than normal course indemnity provisions; and

(xi) all other contracts and agreements, whether or not made in the ordinary course of business, which are material to the Company, any Subsidiary or the conduct of their respective businesses, or the absence of which would prevent or delay consummation of the Offer or the Merger or otherwise prevent or delay the Company from performing its obligations under this Agreement or would have a Material Adverse Effect.

(b) Except as disclosed in Section 4.23(b) of the Disclosure Schedule and except as would not prevent or delay consummation of the Offer or the Merger or otherwise

prevent or delay the Company from performing its obligations under this Agreement and would not have a Material Adverse Effect, (i) each Material Contract is a legal, valid and binding agreement of the Company, and none of the Material Contracts is in default by its terms or has been canceled by the other party; (ii) to the Company's knowledge, no other party is in breach or violation of, or default under, any Material Contract; and (iii) the Company and the Subsidiaries are not in receipt of any claim of default under any such agreement. The Company has furnished or made available to CRI true and complete copies of all Material Contracts, including any amendments thereto.

SECTION 4.24 Insurance.

(a) Section 4.24(a) of the Disclosure Schedule sets forth, with respect to each insurance policy under which the Company or any Subsidiary is insured (other than such policies contemplated in Section 4.10), a named insured or otherwise the principal beneficiary of coverage which is currently in effect, (i) the names of the insurer, the principal insured and each named insured, (ii) the policy number, (iii) the period, scope and amount of coverage and (iv) the premium charged.

(b) With respect to each such insurance policy: (i) the policy is legal, valid, binding and enforceable against the Company in accordance with its terms and, except for policies that have expired under their terms in the ordinary course, is in full force and effect; (ii) neither the Company nor any Subsidiary is in material breach or default (including any such breach or default with respect to the payment of premiums or the giving of notice), and no event has occurred which, with notice or the lapse of time, would constitute such a breach or default, or permit termination or modification, under the policy; and (iii) to the knowledge of the Company, no insurer on the policy has been declared insolvent or placed in receivership, conservatorship or liquidation.

SECTION 4.25 Brokers. No broker, finder or investment banker (other than FBR) is entitled to any brokerage, finder's or other fee or commission in connection with the Transactions based upon arrangements made by or on behalf of the Company. The Company has heretofore furnished to CRI a complete and correct copy of all agreements between the Company and FBR pursuant to which such firm would be entitled to any payment relating to the Transactions.

SECTION 4.26 Opinion of Financial Advisors. The Board of Directors of the Company has received the opinion of FBR to the effect that, as of the date of this Agreement, the Merger Consideration is fair, from a financial point of view, to the holders of the Shares.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF CRI, HOLDINGS AND PURCHASER

As an inducement to the Company to enter into this Agreement, CRI, Holdings and Purchaser hereby, jointly and severally, represent and warrant to the Company that:

SECTION 5.01 Corporate Organization. Each of Holdings and Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of

Delaware and has the requisite corporate power and authority to own, lease and operate its properties and to carry on its business as it is now being conducted, except where the failure to be so organized, existing or in good standing or to have such power, authority and governmental approvals would not prevent or materially delay consummation of the Transactions, or otherwise prevent Holdings or Purchaser from performing its material obligations under this Agreement. CRI is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada, and has the requisite corporate power and authority to own, lease and operate its properties and to carry on its business as it is now being conducted, except where the failure to be so organized, existing or in good standing or to have such power, authority and governmental approvals would not prevent or materially delay consummation of the Transactions, or otherwise prevent CRI from performing its material obligations under this Agreement.

SECTION 5.02 Authority Relative to This Agreement. Each of CRI, Holdings and Purchaser has all necessary corporate power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the Transactions. The execution and delivery of this Agreement by CRI, Holdings and Purchaser and the consummation by CRI, Holdings and Purchaser of the Transactions have been duly and validly authorized by all necessary corporate action, and no other corporate proceedings on the part of CRI, Holdings or Purchaser are necessary to authorize this Agreement or to consummate the Transactions (other than, with respect to the Merger, the filing and recordation of appropriate merger documents as required by Delaware Law). This Agreement has been duly and validly executed and delivered by CRI, Holdings and Purchaser and, assuming due authorization, execution and delivery by the Company, constitutes a legal, valid and binding obligation of each of CRI, Holdings and Purchaser enforceable against each of Holdings and Purchaser in accordance with its terms. At a meeting duly called or by way of unanimous written consent, the Boards of Directors of CRI, Holdings and Purchaser each unanimously approved this Agreement and the Transactions.

SECTION 5.03 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by CRI, Holdings and Purchaser do not, and the performance of this Agreement by CRI, Holdings and Purchaser will not, (i) conflict with or violate the Articles of Incorporation of CRI, the Certificate of Incorporation of Parent or Purchaser or the By-laws of any of CRI, Holdings or Purchaser, (ii) assuming that all consents, approvals, authorizations and other actions described in Section 5.03(b) have been obtained and all filings and obligations described in Section 5.03(b) have been made, conflict with or violate any Law applicable to CRI, Holdings or Purchaser or by which any property or asset of either of them is bound or affected, or (iii) result in any breach of, or constitute a default (or an event which, with notice or lapse of time or both, would become a default) under, or give to others any right of termination, amendment, acceleration or cancellation of, or result in the creation of a lien or other encumbrance on any property or asset of CRI, Holdings or Purchaser pursuant to, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which CRI, Holdings or Purchaser is a party or by which any property or asset of either of them is bound or affected, except, with respect to clause (ii) or (iii), for any such conflicts, violations, breaches, defaults or other occurrences which would not prevent or materially delay consummation of the Offer or Merger, or otherwise prevent or materially delay CRI, Holdings and Purchaser from performing their obligations under this Agreement.

(b) The execution and delivery of this Agreement by CRI, Holdings and Purchaser do not, and the performance of this Agreement by CRI, Holdings and Purchaser will not, require any consent, approval, authorization or permit of, or filing with, or notification to, any Governmental Authority, except (i) for applicable requirements, if any, of the Exchange Act, Blue Sky Laws and state takeover laws, (ii) filing and recordation of appropriate merger documents as required by Delaware Law, and (iii) where the failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not prevent or materially delay consummation of the Offer or Merger, or otherwise prevent or materially delay CRI, Holdings or Purchaser from performing their obligations under this Agreement.

SECTION 5.04 Offer Documents. The Offer Documents shall not, at the time the Offer Documents are filed with the SEC or are first published, sent or given to stockholders of the Company, as the case may be, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, CRI, Holdings and Purchaser make no representation or warranty with respect to any information supplied by the Company or any of its representatives for inclusion in any of the Offer Documents. The Offer Documents shall comply in all material respects as to form with the requirements of the Exchange Act and the rules and regulations thereunder.

SECTION 5.05 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the Transactions based upon arrangements made by or on behalf of CRI, Holdings or Purchaser.

SECTION 5.06 Absence of Litigation. None of CRI, Holdings and Purchaser is subject to any continuing order of, consent decree, settlement agreement or similar written agreement with, or continuing investigation by, any Governmental Authority, or any order, writ, judgment, injunction, decree, determination or award of any Governmental Authority that would prevent or materially delay consummation of the Offer or the Merger or otherwise prevent or materially delay Holdings or Purchaser from performing its respective obligations under this Agreement.

ARTICLE VI
CONDUCT OF BUSINESS PENDING THE MERGER

SECTION 6.01 Conduct of Business by the Company Pending the Merger. The Company agrees that, between the date of this Agreement and the Effective Time, unless CRI shall otherwise agree in writing and except for actions taken or omitted for the purpose of complying with this Agreement, the businesses of the Company and the Subsidiaries shall be conducted only in, and the Company and the Subsidiaries shall not take any action except in, the ordinary course of business and in a manner consistent with past practice; and the Company shall use its reasonable best efforts to preserve substantially intact the business organization of the Company and the Subsidiaries and to preserve the current relationships of the Company and the Subsidiaries with customers, suppliers and other persons with which the Company or any Subsidiary has significant business relations. By way of amplification and not limitation, except as expressly contemplated by this Agreement and Section 6.01 of the Disclosure Schedule, neither the Company nor any Subsidiary shall, between the date of this Agreement and the

Effective Time, directly or indirectly, do any of the following without the prior written consent of CRI:

(a) amend or otherwise change its Certificate of Incorporation or By-laws or equivalent organizational documents;

(b) split, combine, reclassify, subdivide or redeem, or purchase or otherwise acquire, directly or indirectly, any of its capital stock;

(c) issue (other than upon the exercise of options or warrants previously granted to current or former officers, employees or directors of the Company), purchase, redeem, sell, pledge, dispose of, grant, encumber, or authorize the issuance, sale, pledge, disposition, grant or encumbrance of any shares of any class of capital stock of the Company or any Subsidiary, or any options, warrants, convertible or exchangeable securities or other rights of any kind to acquire any shares of such capital stock, or any other ownership interest (including, without limitation, any phantom interest), of the Company or any Subsidiary;

(d) declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of its capital stock, except for dividends by any direct or indirect wholly owned Subsidiary to the Company or any other Subsidiary;

(e) sell, transfer, assign, dispose of or encumber (except to the extent that the Company's and the Subsidiaries' ability to so restrict their right to encumber their assets is limited under the documentation related to the indebtedness of the Company and certain Subsidiaries under that certain Amended and Restated Credit Agreement dated as of October 22, 1999 between the Company, certain Subsidiaries, the lenders listed therein and Ableco Finance LLC, as Collateral Agent, as may be amended (the "Ableco Indebtedness")), any assets of the Company or any Subsidiary, excluding closing of the Company's office in Ottawa, Canada, and the dissolution of Nasgas, LLC, or enter into any agreement or commitment with respect to assets of the Company or a Subsidiary, other than in the ordinary course consistent with past good business practice and other than transfers between the Company and its Subsidiaries;

(f) sell, transfer, assign, dispose of or encumber (except to the extent that the Company's and the Subsidiaries' ability to so restrict their right to encumber their assets is limited under the documentation related to the Ableco Indebtedness) any of the Company's Oil and Gas Interests represented in the Reserve Report or enter into any agreement or commitment with respect to any such sale, transfer, assignment, disposition or encumbrance;

(g) other than in the ordinary course and consistent with past business practice, incur or become contingently liable for any indebtedness or guarantee any such indebtedness or redeem, purchase or acquire or offer to redeem, purchase or acquire any debt;

(h) acquire or agree to acquire any assets other than in the ordinary course and consistent with past business practice;

(i) modify or amend any existing agreement or enter into any new agreement with the Company's financial advisors or other similar consultants, including without limitation, FBR;

(j) elect not to participate in any well to which proven reserves (as identified in the Reserve Report) have been attributed in the Reserve Report proposed pursuant to any existing net profits agreement or joint operating agreement; notwithstanding the foregoing, if the applicable authorization for expenditure ("AFE") exceeds $250,000 net to the Company's interest and CRI fails to approve such expenditure as contemplated by Section 6.01(k)(iv) below, the Company shall not be deemed to be in default of this Section 6.01(j) for its failure to participate in such well;

(k) (i) acquire (including, without limitation, by merger, consolidation, or acquisition of stock or assets or any other business combination) any corporation, partnership, other business organization or any division thereof or any significant amount of assets, except for purchases of inventory in the ordinary course of business consistent with past practice; (ii) incur any indebtedness for borrowed money other than draws under the Company's existing revolving credit facility or issue any debt securities or assume, guarantee or endorse, or otherwise become responsible for, the obligations of any person, or make any loans or advances; (iii) except as provided in Section 6.01(j), enter into any contract or agreement other than in the ordinary course of business and consistent with past practice; (iv) issue any AFE or authorize any other individual capital expenditure in excess of $250,000 net to the Company's interest; or (v) except as provided in Section 6.01(j), enter into or amend any contract, agreement, commitment or arrangement with respect to any matter set forth in this Section 6.01(k);

(l) increase the compensation payable or to become payable or the benefits provided to its directors, officers or employees, except for increases in the ordinary course of business and consistent with past practice in salaries or wages of employees of the Company or any Subsidiary who are not directors or officers of the Company or any Material Subsidiary, or establish, adopt, enter into or amend (except as may be required by law) any collective bargaining, bonus, profit-sharing, thrift, compensation, stock option, restricted stock, pension, retirement, deferred compensation, employment, termination, severance or other plan, agreement, trust, fund, policy or arrangement for the benefit of any director, officer or employee, other than year-end bonuses as previously disclosed to CRI;

(m) take any action, other than reasonable and usual actions in the ordinary course of business and consistent with past practice, with respect to accounting policies or procedures;

(n) make any material Tax election or settle or compromise any material Tax liability;

(o) other than in connection with the winding up of the Ottawa office and agreements with Brian J. Barr, Donald Moore, Bruce Benn, Robert Lindsey and Edward J. Munden as disclosed in Section 4.11 of the Disclosure Schedule pay, discharge or satisfy any claim, liability or obligation (absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction, in the ordinary course of business and consistent with past practice, of liabilities reflected or reserved against in the Recent Balance Sheet or subsequently incurred in the ordinary course of business and consistent with past practice or liabilities or obligations owed to the Company or its Subsidiaries;

(p) amend, modify or consent to the termination of any Material Contract, or amend, waive, modify or consent to the termination of the Company's or any Subsidiary's material rights thereunder;

(q) commence or settle any material Action; or

(r) publicly announce an intention, enter into any formal or informal agreement or otherwise make a commitment, to do any of the foregoing.

ARTICLE VII
ADDITIONAL AGREEMENTS

SECTION 7.01 Stockholders' Meeting.

(a) If required by applicable law in order to consummate the Merger, the Company, acting through the Board, shall, in accordance with applicable law and the Company's Certificate of Incorporation and By-laws, (i) duly call, give notice of, convene and hold an annual or special meeting of its stockholders as promptly as practicable following consummation of the Offer for the purpose of considering and taking action on this Agreement and the Merger (the "Stockholders' Meeting") and (ii) (a) include in the Proxy Statement, and not subsequently withdraw or modify in any manner adverse to CRI, Holding or Purchaser, the recommendation of the Board that the stockholders of the Company approve and adopt this Agreement and the Transactions and (b) use its best efforts to obtain such approval and adoption. At the Stockholders' Meeting, CRI, Holdings and Purchaser shall cause all Shares then owned by them and their subsidiaries to be voted in favor of the approval and adoption of this Agreement and the Transactions.

(b) Notwithstanding the foregoing, in the event that Purchaser shall acquire at least 90% of the then outstanding Shares, the parties shall take all necessary and appropriate action to cause the Merger to become effective, in accordance with Section 253 of Delaware Law, as promptly as reasonably practicable after such acquisition, without a meeting of the stockholders of the Company.

SECTION 7.02 Proxy Statement. If approval of the Company's stockholders is required by applicable law to consummate the Merger, promptly following consummation of the Offer, the Company shall file the Proxy Statement with the SEC under the Exchange Act, and shall use its best efforts to have the Proxy Statement cleared by the SEC as promptly as practicable. CRI, Purchaser and the Company shall cooperate with each other in the preparation of the Proxy Statement, and the Company shall notify CRI of the receipt of any comments of the SEC with respect to the Proxy Statement and of any requests by the SEC for any amendment or supplement thereto or for additional information and shall provide to CRI promptly copies of all correspondence between the Company or any representative of the Company and the SEC with respect thereto. The Company shall give CRI and its counsel the opportunity to review the Proxy Statement, including all amendments and supplements thereto, prior to its being filed with the SEC and shall give CRI and its counsel the opportunity to review all responses to requests for additional information and replies to comments prior to their being filed with, or sent to, the SEC. Each of the Company, CRI, Holdings and Purchaser agrees to use its reasonable best

efforts, after consultation with the other parties hereto, to respond promptly to all such comments of and requests by the SEC and to cause the Proxy Statement and all required amendments and supplements thereto to be mailed to the holders of Shares entitled to vote at the Stockholders' Meeting at the earliest practicable time.

SECTION 7.03 Company Board Representation; Section 14(f).

(a) Promptly upon the purchase by Purchaser of 50% plus one Share of the outstanding Shares (including Shares purchased pursuant to the Offer), Purchaser shall be entitled to designate up to such number of directors, rounded up to the next whole number, on the Board as shall give Purchaser representation on the Board equal to the product of the total number of directors on the Board (giving effect to the directors elected pursuant to this sentence) multiplied by the percentage that the aggregate number of Shares beneficially owned by Purchaser or any affiliate of Purchaser following such purchase bears to the total number of Shares then outstanding, and the Company shall, at such time, promptly take all actions necessary to cause Purchaser's designees to be elected as directors of the Company, including increasing the size of the Board or securing the resignations of incumbent directors, or both. At such times, the Company shall use its best efforts to cause persons designated by Purchaser to constitute the same percentage as persons designated by Purchaser shall constitute of the Board of (i) each committee of the Board, (ii) each board of directors of each Subsidiary, and (iii) each committee of each such board, in each case only to the extent permitted by applicable law. Notwithstanding the foregoing, until the Effective Time, at the request of CRI, the Company shall use its best efforts to ensure that at least two members of the Board and each committee of the Board and such boards and committees of the Subsidiaries, as of the date hereof, who are not employees of the Company shall remain members of the Board and of such boards and committees.

(b) The Company shall promptly take all actions required pursuant to Section 14(f) of the Exchange Act and Rule 14f-1 promulgated thereunder to fulfill its obligations under this Section 7.03, and shall include in the Schedule 14D-9 such information with respect to the Company and its officers and directors as is required under Section 14(f) and Rule 14f-1 to fulfill such obligations. CRI, Holdings or Purchaser shall supply to the Company, and be solely responsible for, any information with respect to either of them and their nominees, officers, directors and affiliates required by such Section 14(f) and Rule 14f-1.

(c) Following the election of designees of Purchaser pursuant to this Section 7.03, prior to the Effective Time, any amendment of this Agreement or the Certificate of Incorporation or By-laws of the Company, any termination of this Agreement by the Company, any extension by the Company of the time for the performance of any of the obligations or other acts of CRI, Holdings or Purchaser, or waiver of any of the Company's rights hereunder, shall require the concurrence of a majority of the directors of the Company then in office who neither were designated by Purchaser nor are employees of the Company or any Subsidiary, and, if serving on the Board currently, were disinterested directors in connection with the Board's consideration of this Agreement.

SECTION 7.04 Access to Information; Confidentiality.

(a) From the date hereof until the Effective Time, the Company shall, and shall cause the Subsidiaries and the officers, directors, employees, auditors and agents of the Company and the Subsidiaries to, afford the officers, employees and agents of CRI and Purchaser and persons providing or proposing to provide CRI, Holdings or Purchaser with financing for the Transactions complete access at all reasonable times to the officers, employees, agents, properties, offices, plants and other facilities, books and records of the Company and each Subsidiary, and shall furnish CRI, Holdings and Purchaser and persons providing or proposing to provide CRI, Holdings or Purchaser with financing for the Transactions with such financial, operating and other data and information as CRI, Holdings or Purchaser, through their officers, employees or agents, may reasonably request.

(b) All information obtained by CRI, Holdings or Purchaser pursuant to this Section 7.04 shall be kept confidential in accordance with the confidentiality agreement, dated January 16, 2001 (the "Confidentiality Agreement"), between CRI and the Company and nothing herein shall limit or abrogate the terms of the Confidentiality Agreement, except as set forth in Section 7.10.

(c) No investigation pursuant to this Section 7.04 shall affect any representation or warranty in this Agreement of any party hereto or any condition to the obligations of the parties hereto or any condition to the Offer.

SECTION 7.05 No Solicitation of Transactions.

(a) Neither the Company nor any Subsidiary through any officer, director, advisor or other person acting on its behalf shall, directly or indirectly, solicit, initiate or encourage in any way any Acquisition Proposal; provided, however, that the Company may furnish information to and negotiate with a third party (a "Potential Acquirer") if the Potential Acquirer has, in circumstances not involving any breach by the Company of the foregoing provisions, made a tender or exchange offer for, or a proposal to the Board to acquire 20% or more of the Shares, and (A) the Board determines in good faith, based on the advice of outside counsel, that the failure to do so would be reasonably likely to constitute a breach of its fiduciary duties to the stockholders of the Company under applicable law, and (B) the Company's Board is advised by its financial advisor that such Potential Acquirer has the financial wherewithal to consummate the acquisition and such acquisition would be more favorable to the stockholders of the Company than the Transactions contemplated by this Agreement.

(b) Except as set forth in this Section 7.05(b), neither the Board nor any committee thereof shall (i) withdraw or modify, or propose to withdraw or modify, in a manner adverse to CRI, Holdings or Purchaser, the approval or recommendation by the Board or any such committee of this Agreement, the Offer or the Merger, (ii) approve or recommend, or propose to approve or recommend, any Acquisition Proposal or (iii) enter into any agreement with respect to any Acquisition Proposal. Notwithstanding the foregoing, in the event that, prior to the Share Acceptance Date pursuant to the Offer, the Board determines in good faith that it is required to do so by its fiduciary duties under applicable law after having received advice from outside legal counsel, the Board may withdraw or modify its approval or recommendation of the Offer and the Merger, but only to terminate this Agreement in accordance with Section

9.01(d)(ii) (and, concurrently with such termination, cause the Company to enter into an agreement with respect to a Superior Proposal).

(c) The Company shall, and shall direct or cause its directors, officers, employees, representatives and agents to, immediately cease and cause to be terminated any discussions or negotiations with third parties that may be ongoing with respect to any Acquisition Proposal.

(d) The Company shall promptly advise CRI in writing (within 48 hours) of the material terms and conditions of such Acquisition Proposal.

SECTION 7.06 Employee Matters. The Company and the Subsidiaries will cooperate with Purchaser in making their employees available during regular business hours for Purchaser to conduct interviews to determine the prospect of continuing employment of such employees following the Effective Time. As soon as practicable after the date hereof, and in any event not later than the Share Acceptance Date, Purchaser will provide to the Company a list of the employees whom it intends to continue to employ, and a summary of the material terms of such employment, which terms shall not be less favorable than such employee's current employment terms, provided that such employees who are retained and for whom a retention bonus would be due and payable (as disclosed in Section 4.11 of the Disclosure Schedule) shall be paid such bonus on December 31, 2001. At any time after receipt of the list, the Company may terminate any employees whose names are not on such list and shall pay any severance to such employees to which they may be entitled under the terms of any employment contract, termination agreement or policies in existence as of October 19, 2001 or as described in Section 7.06 of the Disclosure Schedule. Nothing contained in this Section 7.06 shall change the nature of the "at will" employment relationship that exists between the Company, the Subsidiaries, and their employees. After the Effective Date, CRI will cause the Company to maintain welfare benefit plans with benefits no less favorable to the persons covered thereby than the Company's existing welfare benefit plans for such period of time as is necessary for the Company to fulfill its obligations under the Company's existing contracts and policies. The previous sentence may not be amended or waived without the consent of the persons for whom the Company is obligated to provide coverage.

SECTION 7.07 Directors' and Officers' Indemnification and Insurance.

(a) The Certificate of Incorporation of the Surviving Corporation shall contain provisions no less favorable with respect to indemnification than are set forth in Article VI of the By-laws of the Company, which provisions shall not be amended, repealed or otherwise modified in any manner that would materially adversely affect the rights thereunder of individuals who, at or prior to the Effective Time, were directors, officers, employees, fiduciaries or agents of the Company, unless such modification shall be required by law.

(b) CRI shall maintain the directors' and officers' ("D&O") insurance that serves to reimburse persons currently covered by the Company's D&O insurance in full force and effect for the continued benefit of such persons for a continuous period of not less than two years from the Effective Time on terms that are not materially different from the Company's D&O insurance currently in effect (provided that the Surviving Corporation may substitute

therefor policies of at least the same coverage containing terms and conditions that are not less favorable) with respect to matters occurring prior to the Effective Time.

(c) In the event the Company, CRI, or the Surviving Corporation or any of their respective successors or assigns (i) consolidates with or merges into any other person and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any person, then, and in each such case, proper provision shall be made so that the successors and assigns of the Company, CRI or the Surviving Corporation, as the case may be, or at CRI's option, CRI, shall assume the obligations set forth in this Section 7.07.

(d) Notwithstanding anything to the contrary in this Agreement, the provisions of this Section 7.07 shall survive the consummation of the Merger.

(e) The parties acknowledge that the provisions of this Section 7.07 are in addition to and not in lieu of the indemnification obligations of the Company set forth in the agreements listed in Section 4.23 of the Disclosure Schedule.

SECTION 7.08 Notification of Certain Matters. The Company shall give prompt notice to CRI, and CRI shall give prompt notice to the Company, of (a) the occurrence, or non-occurrence, of any event the occurrence, or non-occurrence, of which reasonably could be expected to cause any representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect, (b) any failure of the Company, CRI, Holdings or Purchaser, as the case may be, to comply with or satisfy any covenant or agreement to be complied with or satisfied by it hereunder, and (c) any other material adverse development (other than changes in general economic conditions or changes in oil or natural gas prices) relating to the business, prospects, financial condition or results of operations of the Company and the Subsidiaries; provided, however, that the delivery of any notice pursuant to this Section 7.08 shall not limit or otherwise affect the remedies available hereunder to the party receiving such notice.

SECTION 7.09 Further Action; Reasonable Best Efforts.

(a) Upon the terms and subject to the conditions hereof, each of the parties hereto shall use its reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the Transactions, including, without limitation, using its reasonable best efforts to obtain all Permits, consents, approvals, authorizations, qualifications and orders of Governmental Authorities and parties to contracts with the Company and the Subsidiaries as are necessary for the consummation of the Transactions and to fulfill the conditions to the Offer and the Merger; provided that neither CRI, Purchaser nor Holdings will be required by this Section 7.09 to take any action, including entering into any consent decree, hold separate orders or other arrangements, that (a) requires the divestiture of any assets of any of CRI, Holdings, Purchaser, the Company or any of their respective subsidiaries or (b) limits CRI's ability to operate, the Company and the Subsidiaries or any portion thereof or any of CRI's or its affiliates' other assets or businesses in a manner consistent with past practice. In case, at any time after the Effective Time, any further action is necessary or desirable to carry out

the purposes of this Agreement, the proper officers and directors of each party to this Agreement shall use their reasonable best efforts to take all such action.

(b) Each of the parties hereto agrees to cooperate and use its reasonable best efforts to vigorously contest and resist any Action, including administrative or judicial Action, and to have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order (whether temporary, preliminary or permanent) that is in effect and that restricts, prevents or prohibits consummation of the Transactions, including, without limitation, by vigorously pursuing all available avenues of administrative and judicial appeal.

SECTION 7.10 Public Announcements. CRI and the Company agree that no public release or announcement concerning the Transactions, the Offer or the Merger shall be issued by either party without the prior consent of the other party (which consent shall not be unreasonably withheld), except as such release or announcement may be required by Law or the rules or regulations of any United States securities exchange or national market, in which case the party required to make the release or announcement shall use its best efforts to allow the other party reasonable time to comment on such release or announcement in advance of such issuance.

SECTION 7.11 Confidentiality Agreement. Upon the acceptance for payment of Shares pursuant to the Offer, the Confidentiality Agreement shall be deemed to have terminated without further action by the parties thereto.

SECTION 7.12 Assumption of Agreements. At the Share Acceptance Date, CRI shall enter into an assumption or guaranty agreement reasonably satisfactory to Messrs. Barr and Munden, pursuant to which CRI will assume or guaranty the obligations of the Company under those certain termination agreements between the Company and each of Mr. Barr and Mr. Munden each dated as of August 31, 2001.

ARTICLE VIII
CONDITIONS TO THE MERGER

SECTION 8.01 Conditions to the Merger. The obligations of each party to effect the Merger shall be subject to the satisfaction, at or prior to the Effective Time, of the following conditions:

(a) Stockholder Approval. If and to the extent required by Delaware Law, this Agreement and the Transactions shall have been approved and adopted by the affirmative vote of the stockholders of the Company;

(b) No Order. No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law (whether temporary, preliminary or permanent) which is then in effect and has the effect of making the acquisition of Shares by CRI, Holdings or Purchaser or any affiliate of either of them illegal or otherwise restricting, preventing or prohibiting consummation of the Transactions; and

(c) Offer. Purchaser or its permitted assignee shall have purchased all Shares validly tendered and not withdrawn pursuant to the Offer; provided, however, that this condition

shall not be applicable to the obligations of CRI, Holdings or Purchaser if, in breach of this Agreement or the terms of the Offer, Purchaser fails to purchase any Shares validly tendered and not withdrawn pursuant to the Offer.

ARTICLE IX
TERMINATION, AMENDMENT AND WAIVER

SECTION 9.01 Termination. This Agreement may be terminated and the Merger and the other Transactions may be abandoned at any time prior to the Effective Time, notwithstanding any requisite approval and adoption of this Agreement and the Transactions by the stockholders of the Company:

(a) by mutual written consent of each of CRI, Holdings, Purchaser and the Company duly authorized by the Boards of Directors of CRI, Holdings, Purchaser and the Company; or

(b) by either CRI, Holdings, Purchaser or the Company if (i) the Effective Time shall not have occurred on or before June 30, 2002; provided, however, that the right to terminate this Agreement under this Section 9.01(b) shall not be available to any party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur on or before such date or (ii) any Governmental Authority shall have enacted, issued, promulgated, enforced or entered any injunction, order, decree or ruling which has become final and nonappealable and has the effect of making consummation of the Offer or the Merger illegal or otherwise preventing or prohibiting consummation of the Offer or the Merger; or

(c) by CRI if (i) due to an occurrence or circumstance that would result in a failure to satisfy any condition set forth in Annex A hereto, Purchaser shall have (a) failed to commence the Offer within 30 days following the date of this Agreement, (b) terminated the Offer without having accepted any Shares for payment thereunder or (c) failed to accept Shares for payment pursuant to the Offer within 90 days following the commencement of the Offer (provided, however, that the applicable time period specified in (a) and (c) above shall be extended until June 30, 2002), unless such action or inaction under (a), (b) or (c) shall have been caused by or resulted from the failure of CRI, Holdings or Purchaser to perform, in any material respect, any of their covenants or agreements contained in this Agreement, or the material breach by CRI, Holdings or Purchaser of any of their representations or warranties contained in this Agreement (ii) prior to the purchase of Shares pursuant to the Offer, the Board or any committee thereof shall have withdrawn, modified or failed to make in a manner adverse to CRI, Purchaser or Holdings its approval or recommendation of this Agreement, the Offer or the Merger, or shall have recommended or approved any Acquisition Proposal, or shall have resolved to do any of the foregoing; or

(d) by the Company, upon approval of the Board, if (i) Purchaser shall have (x) failed to commence the Offer within seven (7) business days following the date of this Agreement, or (y) terminated the Offer without having accepted any Shares for payment thereunder, unless such action or inaction under (x) or (y) shall have been caused by or resulted from the failure of the Company to perform, in any material respect, any of its material

covenants or agreements contained in this Agreement or the material breach by the Company of any of its material representations or warranties contained in this Agreement, (ii) the Share Acceptance Date has not occurred by January 1, 2002 (but subject to the occurrence of an extension of the Offer pursuant to Section 2.01 or a Suspension Event), unless such failure of the Share Acceptance Date to occur shall have been caused by or resulted from the failure of the Company to perform, in any material respect, any of its material covenants or agreements contained in this Agreement or the material breach by the Company of any of its material representations or warranties contained in this Agreement, (iii) CRI, Holdings or Purchaser shall have committed a material breach of this Agreement, or (iv) prior to the Share Acceptance Date, the Board determines in good faith that it is required to do so by its fiduciary duties under applicable law after having received advice from outside legal counsel in order to enter into a definitive agreement with respect to a Superior Proposal, upon two calendar days' prior written notice to CRI setting forth in reasonable detail the identity of the person making, and the final terms and conditions of, the Superior Proposal; provided, however, that any termination of this Agreement pursuant to this Section 9.01(d)(iv) shall not be effective until the Company has made full payment of all amounts provided under Section 9.03;

provided, however, that in each case, the time periods and deadlines in subsection (c) and (d) of this Section 9.01 may be extended, at the option of either party as reasonably necessitated by the occurrence of a Suspension Event for such period of time as may be reasonably necessary (but not to exceed five (5) business days) following the conclusion of a Suspension Event, but in no event to exceed January 31, 2002.

SECTION 9.02 Effect of Termination. In the event of the termination of this Agreement pursuant to Section 9.01, this Agreement shall forthwith become void, and there shall be no liability on the part of any party hereto, except (a) as set forth in Section 9.03 and (b) nothing herein shall relieve any party from liability for any intentional breach hereof prior to the date of such termination; provided, however, that the Confidentiality Agreement shall survive any termination of this Agreement.

SECTION 9.03 Fees.

(a) In the event this Agreement is terminated pursuant to Section 9.01(c)(ii) or 9.01(d)(iv), then, in any such event, the Company shall pay CRI promptly (but in no event later than one business day after the first of such events shall have occurred) a fee of $3,500,000 (the "Fee"), which amount shall be payable in immediately available funds.

(b) Except as set forth in this Section 9.03, all costs and expenses incurred in connection with this Agreement and the Transactions shall be paid by the party incurring such expenses, whether or not any Transaction is consummated.

(c) In the event that the Company shall fail to pay the Fee it shall also pay CRI interest on such unpaid Fee, commencing on the date that the Fee became due, at a rate equal to the rate of interest publicly announced by Citibank, N.A., from time to time, in the City of New York, as such bank's Base Rate.

SECTION 9.04 Amendment. Subject to Section 7.03, this Agreement may be amended by the parties hereto by action taken by or on behalf of their respective Boards of Directors at any time prior to the Effective Time; provided, however, that, after the approval and adoption of this Agreement and the Transactions by the stockholders of the Company, no amendment may be made that would reduce the amount or change the type of consideration into which each Share shall be converted upon consummation of the Merger. This Agreement may not be amended except by an instrument in writing signed by each of the parties hereto.

SECTION 9.05 Waiver. Subject to Section 7.03, at any time prior to the Effective Time, any party hereto may (a) extend the time for the performance of any obligation or other act of any other party hereto, (b) waive any inaccuracy in the representations and warranties of any other party contained herein or in any document delivered pursuant hereto and (c) waive compliance with any agreement of any other party or any condition to its own obligations contained herein. Any such extension or waiver shall be valid if set forth in an instrument in writing signed by the party or parties to be bound thereby.

ARTICLE X
GENERAL PROVISIONS

SECTION 10.01 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by overnight courier or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 10.01):

if to CRI, Holdings or Purchaser:

Comstock Resources, Inc.
5300 Town and Country Blvd.
Suite 500
Frisco, Texas 75034
Attention: M. Jay Allison, President

with a copy to:

Locke Liddell & Sapp LLP
2200 Ross Avenue
Suite 2200
Dallas, Texas 75201
Attention: Jack E. Jacobsen

if to the Company:

DevX Energy, Inc.
13760 Noel Road
Suite 1030
Dallas, Texas 75240
Attention: Joseph T. Williams

with a copy to:

Haynes and Boone, LLP
1600 N. Collins Blvd., Suite 2000
Richardson, Texas 75080
Attention: William L. Boeing

SECTION 10.02 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the Transactions is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the Transactions be consummated as originally contemplated to the fullest extent possible.

SECTION 10.03 Entire Agreement; Assignment. This Agreement supercedes the letter of intent dated October 19, 2001 between CRI and the Company and constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes, except as set forth in Sections 7.04(b) and 7.11, all prior agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof. This Agreement shall not be assigned (whether pursuant to a merger, by operation of law or otherwise), except that CRI, Holdings and Purchaser may assign all or any of their rights and obligations hereunder to any affiliate of CRI, provided that no such assignment shall relieve the assigning party of its obligations hereunder if such assignee does not perform such obligations.

SECTION 10.04 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each party hereto, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement, other than Sections 7.06 and 7.07 (which are intended to be for the benefit of the persons considered thereby and may be enforced by such persons).

SECTION 10.05 Specific Performance. The parties hereto agree that irreparable damage would occur in the event any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or equity.

SECTION 10.06 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware applicable to contracts executed in and to be performed in that State. All actions and proceedings arising out of or relating to this Agreement shall be heard and determined exclusively in any Texas state or federal court sitting in Dallas County, Texas. The parties hereto hereby (a) submit to the exclusive jurisdiction of any state or federal court sitting in the Dallas County, Texas for the purpose of any Action arising out of or relating to this Agreement brought by any party hereto, and (b) irrevocably waive, and agree not to assert by way of motion, defense, or otherwise, in any such Action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the Action is brought in an inconvenient forum, that the venue of the Action is improper, or that this Agreement or the Transactions may not be enforced in or by any of the above-named courts.

SECTION 10.07 Waiver of Jury Trial. Each of the parties hereto hereby waives to the fullest extent permitted by applicable law any right it may have to a trial by jury with respect to any litigation directly or indirectly arising out of, under or in connection with this Agreement or the Transactions.

SECTION 10.08 Headings. The descriptive headings contained in this Agreement are included for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

SECTION 10.09 Counterparts. This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

SECTION 10.10 CRI Guaranty. CRI unconditionally guaranties all of Holdings' and Purchaser's obligations and agreements under this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, CRI, Holdings, Purchaser and the Company have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

COMSTOCK RESOURCES, INC.

By: /s/ M. JAY ALLISON

M. Jay Allison, President

COMSTOCK HOLDINGS, INC.

By: /s/ M. JAY ALLISON

M. Jay Allison, President

COMSTOCK ACQUISITION INC.

By: /s/ M. JAY ALLISON

M. Jay Allison, President

DEVX ENERGY, INC.

By /s/ JOSEPH T. WILLIAMS

Joseph T. Williams, President

ANNEX A

CONDITIONS TO THE OFFER

Notwithstanding any other provision of the Offer, Purchaser shall not be required to accept for payment any Shares tendered pursuant to the Offer, and may extend, terminate or amend the Offer, if (i) immediately prior to the expiration of the Offer, the Minimum Condition shall not have been satisfied, or (ii) at any time on or after the date of this Agreement and prior to the expiration of the Offer, any of the following conditions shall exist:

(a) there shall have been instituted or be pending any Action by any Governmental Authority (i) challenging or seeking to make illegal, delay, or otherwise, directly or indirectly, restrain or prohibit or make materially more costly, the making of the Offer, the acceptance for payment of any Shares by CRI, Holdings, Purchaser or any other affiliate of CRI, or the consummation of any other Transaction, or seeking to obtain damages in connection with any Transaction; (ii) seeking to prohibit or limit the ownership or operation by the Company, CRI or any of their subsidiaries of all or any of the business or assets of the Company, CRI or any of their subsidiaries or to compel the Company, CRI or any of their subsidiaries, as a result of the Transactions, to dispose of or to hold separate all or any portion of the business or assets of the Company, CRI or any of their subsidiaries; (iii) seeking to impose or confirm any limitation on the ability of CRI, Holdings, Purchaser or any other affiliate of CRI to exercise effectively full rights of ownership of any Shares, including, without limitation, the right to vote any Shares acquired by Purchaser pursuant to the Offer or otherwise on all matters properly presented to the Company's stockholders, including, without limitation, the approval and adoption of this Agreement and the Transactions; (iv) seeking to require divestiture by CRI, Holdings, Purchaser or any other affiliate of CRI of any Shares; or (v) that otherwise is likely to materially and adversely affect CRI or have a Material Adverse Effect;

(b) any Governmental Authority or court of competent jurisdiction shall have issued an order, decree, injunction or ruling or taken any other action (i) permanently restraining, enjoining or otherwise prohibiting or preventing the Transactions and such order, decree, injunction, ruling or other action shall have become final and non-appealable, or (ii) that is reasonably likely to result, directly or indirectly, in any of the consequences referred to in clause (i) through (v) of paragraph (a) above;

(c) there shall have been any statute, rule, regulation, legislation or interpretation enacted, promulgated, amended, issued or deemed applicable to (i) CRI, the Company or any subsidiary or affiliate of CRI or the Company or (ii) any Transaction, by any United States legislative body or Governmental Authority with appropriate jurisdiction, that is reasonably likely to result, directly or indirectly, in any of the consequences referred to in clauses (i) through (v) of paragraph (a) above;

(d) (i) the Board, or any committee thereof, shall have withdrawn or modified, in a manner adverse to CRI, Holdings or Purchaser, the approval or recommendation of the Offer, the Merger, the Agreement, or approved or recommended any Acquisition Proposal or any other acquisition of Shares other than the Offer, the Merger or (ii) the Board, or any committee thereof, shall have resolved to do any of the foregoing;

(e) (i) any representation or warranty of the Company in the Agreement that is qualified as to Material Adverse Effect shall not be true and correct as so qualified or (ii) any representation or warranty that is not so qualified shall not be true and correct (except where the failure to be true and correct would not have a Material Adverse Effect), in each case as if such representation or warranty was made as of such time on or after the date of this Agreement (except as to any representation or warranty made as of a specified date);

(f) the Company shall have failed to perform, in any material respect, any obligation or to comply, in any material respect, with any agreement or covenant of the Company to be performed or complied with by it under the Agreement; or

(g) the Agreement shall have been terminated in accordance with its terms.

The foregoing conditions are for the sole benefit of CRI, Purchaser and Holdings and may be asserted by CRI, Purchaser or Holdings regardless of the circumstances giving rise to any such condition or may be waived by CRI, Purchaser or Holdings in whole or in part at any time and from time to time in their sole discretion. The failure by CRI, Holdings or Purchaser at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right; the waiver of any such right with respect to particular facts and other circumstances shall not be deemed a waiver with respect to any other facts and circumstances; and each such right shall be deemed an ongoing right that may be asserted at any time and from time to time.

EXHIBIT (d)(2)

CONFIDENTIALITY AGREEMENT

BETWEEN

DevX Energy, Inc., a Delaware corporation, having an office at 13670 Noel Road, Suite 1030, Dallas, TX 75240-7336 (fax 972-233-9575)
(Hereinafter referred to as "DEVX")

AND

Comstock Resources, Inc., 5300 Town and Country Blvd., Suite 500, Frisco, TX 77034 (fax: 972-668-8882)
(Hereinafter referred to as "COMSTOCK")

WHEREAS, the parties wish to explore possible merger or acquisition transactions ("Transaction");

AND WHEREAS, DEVX has agreed to make available to COMSTOCK certain Confidential Information (as hereinafter defined) pursuant to the terms of this agreement.

THEREFORE, in consideration of and to induce DEVX to provide such Confidential Information, COMSTOCK agrees to treat all Confidential Information supplied by DEVX in accordance with the provisions of this agreement.

1. Confidential Information shall mean all written, computer readable or other tangible forms of information, documents, memoranda, or other materials pertaining to and prepared by or on behalf of DEVX, or any of its respective subsidiaries and affiliates, or any of the business, properties and assets thereof, including, without limitation, production reports, reserve reports, exploration programs or targets, workover programs, capital expenditures, proposed or ongoing property acquisitions or divestments, employee lists and evaluation reports and financial and performance reports, plans or projections.

2. Notwithstanding the foregoing, Confidential Information shall not include information which (i) is or becomes generally available to the public as a result of an authorized disclosure by a party, or (ii) is or becomes available to COMSTOCK on a non-confidential basis from another source provided that such source is not bound by a confidentiality agreement with or other obligation or secrecy to or for the benefit of DEVX.

3. COMSTOCK agrees to utilize the Confidential Information only for the purpose of evaluating a Transaction between the parties and preparing proposals with respect thereto and shall protect the confidentiality of the Confidential Information with the same degree of care, but in any case no less than a reasonable standard of care, as it uses to protect its own Confidential Information. COMSTOCK shall bear its own risk and cost of evaluating the Confidential Information.

4. COMSTOCK shall not disclose the Confidential Information to any third party, except (i) to its employees and third party consultants on a need-to-know basis, or (ii) pursuant to an express written authorization by DEVX, or (iii) pursuant to an order of a court of competent jurisdiction or other judicial or quasi-judicial body. COMSTOCK shall immediately notify DEVX of any court process or other legal or administrative proceeding under which it may become liable to disclose any Confidential Information and will use its best efforts to cooperate with and assist DEVX to make whatever representations it may deem appropriate to contest or appeal such orders provided that all such contests or appeals shall be at the expense of DEVX.

5. COMSTOCK shall direct all employees and third party consultants to whom it provides access to Confidential Information not to disclose such Confidential Information or the fact that any discussions or negotiations are taking place between the parties and shall remain liable for any unauthorized disclosure or use of Confidential Information by such employees or third party consultants notwithstanding such direction.

6. The restrictions on use and disclosure of the Confidential Information set out herein shall continue for two (2) years from the date hereof regardless of whether the parties enter into a definitive agreement concerning a Transaction.

7. The parties further acknowledge and agree that, except with respect to the matters specifically addressed in this agreement, unless and until they execute and deliver a definitive agreement concerning a Transaction, (i) neither of them is under any obligation whatsoever with respect to each other whether by virtue of this agreement or any other understanding or agreement, either written or oral, and (ii) DEVX may, without prior or any notice to COMSTOCK, make, entertain or solicit similar offers from one or more third parties or conduct any process with respect thereto as either in its sole discretion may determine, including without limitation, the negotiation or execution of preliminary or definitive agreements to the exclusion of COMSTOCK, provided that COMSTOCK shall not, for a period of two (2) years from the date hereof, participate directly or indirectly in any transaction pertaining to any publicly traded securities of DEVX that has not been approved of by the Board of Directors of DEVX.

8. COMSTOCK agrees that upon written request from DEVX all Confidential Information furnished by DEVX and any copies thereof will be immediately returned to DEVX, or with DEVX's written agreement, will be destroyed by COMSTOCK.

9. This agreement shall be governed by the laws of the State of Texas. The language used in this agreement shall be deemed to have been mutually chosen by the parties to express their mutual intent.

10. COMSTOCK agrees that the unauthorized release of Confidential Information of DEVX will cause irreparable harm to DEVX and any breach of this agreement may be restrained by interim or permanent injunction and COMSTOCK waives any requirement on DEVX to prove balance of convenience or actual harm or to post security in support of any such injunction application.

11. In the event that a court of competent jurisdiction determines that any portion of this agreement is unenforceable, such court may reform such portions in a manner consistent with the intent of the parties, but in any event the remainder of the agreement shall continue in full force and effect.

12. This agreement may be executed by telefax and in two (2) or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one (1) agreement.

AGREED TO AND ACCEPTED this 16th day of January, 2001.

DevX Energy, Inc.	Comstock Resources, Inc.
/s/ Edward J. Munden - ----------	/s/ Michael W. Taylor ----------
By: Edward J. Munden	By: Michael W. Taylor
Title: President and CEO	Title: Vice President - Corporate Development