UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

ü **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For The Quarter Ended March 31, 2004

OR

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

Commission File No. 0-16741

COMSTOCK RESOURCES, INC.

(Exact name of registrant as specified in its charter)

NEVADA (State or other jurisdiction of incorporation or organization)	**94-1667468** (I.R.S. Employer Identification Number)

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

Telephone No.: **(972) 668-8800**

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

Yes **ü** No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes **ü** No

The number of shares outstanding of the registrant's common stock, par value $.50, as of May 7, 2004 was 34,678,862.

COMSTOCK RESOURCES, INC.

QUARTERLY REPORT

For The Quarter Ended March 31, 2004

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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Unaudited)

	March 31, 2004	December 31, 2003
	(In thousands)	
ASSETS		
Cash and Cash Equivalents	$ 2,463	$ 5,343
Accounts Receivable:		
Oil and gas sales	26,825	36,468
Joint interest operations	10,023	9,524
Other Current Assets	3,932	4,802
Total current assets	43,243	56,137
Property and Equipment:		
Unevaluated oil and gas properties	19,358	18,075
Oil and gas properties, successful efforts method	1,086,948	1,052,564
Other	4,031	4,047
Accumulated depreciation, depletion and amortization	(391,551)	(376,000)
Net property and equipment	718,786	698,686
Other Assets	8,011	6,133
	$ 770,040	$ 760,956
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Portion of Long-Term Debt	$ 233	$ 623
Accounts Payable and Accrued Expenses	38,033	63,874
Total current liabilities	38,266	64,497
Long-Term Debt, less current portion	339,300	306,000
Deferred Taxes Payable	78,823	81,629
Reserve for Future Abandonment Costs	19,652	19,174
Stockholders' Equity:		
Common stock—$0.50 par, 50,000,000 shares authorized, 34,678,862 and 34,308,861 shares outstanding at March 31, 2004 and December 31, 2003, respectively	17,339	17,154
Additional paid-in capital	161,603	166,242
Retained earnings	115,057	115,032
Deferred compensation-restricted stock grants	—	(8,772)
Total stockholders' equity	293,998	289,656
	$ 770,040	$ 760,956

The accompanying notes are an integral part of these statements.

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	Three Months Ended March 31, 2004	Three Months Ended March 31, 2003
	(In thousands, except per share amounts)	
Oil and gas sales	$ 60,761	$ 68,576
Operating expenses:		
Oil and gas operating	12,650	11,365
Exploration	3,382	1,636
Depreciation, depletion and amortization	15,809	14,887
General and administrative, net	3,090	1,528
Total operating expenses	34,931	29,416
Income from operations	25,830	39,160
Other income (expenses):		
Other income	39	47
Interest income	16	20
Interest expense	(6,265)	(7,608)
Loss on early extinguishment of debt	(19,581)	—
Total other expenses	(25,791)	(7,541)
Income before income taxes and cumulative effect of change in accounting principle	39	31,619
Provision for income taxes	(14)	(11,067)
Income before cumulative effect of change in accounting principle	25	20,552
Cumulative effect of change in accounting principle, net of income taxes	—	675
Net income	25	21,227
Preferred stock dividends	—	(395)
Net income attributable to common stock	$ 25	$ 20,832
Net income per share before cumulative effect of change in accounting principle:		
Basic	$ 0.00	$ 0.70
Diluted	$ 0.00	$ 0.60
Net income per share:		
Basic	$ 0.00	$ 0.72
Diluted	$ 0.00	$ 0.62
Weighted average common and common stock equivalent shares outstanding:		
Basic	33,843	28,923
Diluted	35,570	34,475

The accompanying notes are an integral part of these statements.

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

For the Three Months Ended March 31, 2004
(Unaudited)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Deferred Compensation— Restricted Stock Grants	Total
			(In thousands)		
Balance at December 31, 2003	$17,154	$166,242	$115,032	$(8,772)	$289,656
Adoption of SFAS 123	—	(8,772)	—	8,772	—
Stock based compensation	—	1,222	—	—	1,222
Exercise of stock options	185	2,911	—	—	3,096
Net income	—	—	25	—	25
Balance at March 31, 2004	$17,339	$161,603	$115,057	$ —	$293,999

The accompanying notes are an integral part of these statements.

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31, 2004	Three Months Ended March 31, 2003
	(In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 25	$ 21,227
Adjustments to reconcile net income to net cash provided by operating activities:		
Dry hole costs	2,554	1,028
Depreciation, depletion and amortization	15,809	14,887
Stock based compensation	1,222	60
Unrealized gains from derivatives	—	3
Debt issuance costs amortization	277	300
Loss on early extinguishment of debt	19,581	—
Cumulative effect of change in accounting principle, net of income taxes	—	(675)
Deferred income taxes	(1,986)	11,067
	37,482	47,897
(Increase) decrease in accounts receivable	9,144	(20,009)
(Increase) decrease in other current assets	870	(2,218)
Increase (decrease) in accounts payable and accrued expenses	(27,095)	6,630
Net cash provided by operating activities	20,401	32,300
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures and acquisitions	(37,985)	(16,455)
Net cash used for operating activities	(37,985)	(16,455)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings	148,000	8,000
Proceeds from issuance of senior notes	175,000	—
Debt issuance costs	(5,881)	—
Principal payments on debt	(304,691)	(23,205)
Proceeds from issuance of common stock	2,276	296
Dividends paid on preferred stock	—	(395)
Net cash used for financing activities	14,704	(15,304)
Net increase (decrease) in cash and cash equivalents	(2,880)	541
Cash and cash equivalents, beginning of period	5,343	1,682
Cash and cash equivalents, end of period	$ 2,463	$ 2,223

The accompanying notes are an integral part of these statements.

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2004
(Unaudited)

(1) SIGNIFICANT ACCOUNTING POLICIES -

Basis of Presentation

In management's opinion, the accompanying unaudited consolidated financial statements contain all adjustments (consisting solely of normal recurring adjustments) necessary to present fairly the financial position of Comstock Resources, Inc. and subsidiaries ("Comstock") as of March 31, 2004 and the related results of operations and cash flows for the three months ended March 31, 2004 and 2003.

The accompanying unaudited consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and disclosures normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the United States have been omitted pursuant to those rules and regulations, although Comstock believes that the disclosures made are adequate to make the information presented not misleading. These unaudited consolidated financial statements should be read in conjunction with the financial statements and notes thereto included in Comstock's Annual Report on Form 10-K for the year ended December 31, 2003.

The results of operations for the three months ended March 31, 2004 are not necessarily an indication of the results expected for the full year.

Supplementary Information With Respect to the Consolidated Statements of Cash Flows -

	For the Three Months Ended March 31,	
	2004	2003
	(In thousands)	
Cash Payments -		
Interest payments	$8,016	$1,307
Income tax payments	$2,700	$ —
Noncash Investing and Financing Activities -		
Value of warrants issued under exploration agreement	$ —	$1,251

Income Taxes

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

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

Earnings Per Share

Basic earnings per share is determined without the effect of any outstanding potentially dilutive stock options or other convertible securities and diluted earnings per share is determined with the effect of outstanding stock options and other convertible securities that are potentially dilutive. Basic and diluted earnings per share for the three months ended March 31, 2004 and 2003, were determined as follows:

	Three Months Ended March 31,					
	2004			2003		
	Income	Shares	Per Share	Income	Shares	Per Share
	(In thousands, except per share amounts)					
Basic Earnings Per Share:						
Net Income Before Cumulative Effect of Change in Accounting Principle	$25	33,843		$20,552	28,923	
Less Preferred Stock Dividends	—	—		(395)	—	
Net Income Available to Common Stockholders Before Cumulative Effect of Change in Accounting Principle	25	33,843	$0.00	20,157	28,923	$0.70
Cumulative Effect of Change in Accounting Principle, net of Income Taxes	—	33,843	—	675	28,923	0.02
Net Income Available to Common Stockholders	$25	33,843	$0.00	$20,832	28,923	$0.72
Diluted Earnings Per Share:						
Net Income Before Cumulative Effect of Change in Accounting Principle	$25	33,843		$20,552	28,923	
Effect of Dilutive Securities:						
Stock, Grants and Options	—	1,727		—	1,159	
Convertible Preferred Stock	—	—		—	4,393	
Net Income Available to Common Stockholders With Assumed Conversions Before Cumulative Effect of Change in Accounting Principle	25	35,570	$0.00	20,552	34,475	$0.60
Cumulative Effect of Change in Accounting Principle, net of Income Taxes	—	35,570	—	675	34,475	0.02
Net Income Available to Common Stockholders	$25	35,570	$0.00	$21,227	34,475	$0.62

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

Stock Based Compensation

Prior to January 1, 2004, Comstock accounted for employee stock based compensation using the intrinsic value method prescribed in Accounting Principles Board Opinion No. 25, “Accounting for Stock Issued to Employees” (“APB 25”). Under the intrinsic method, compensation cost for stock options is measured as the excess, if any, of the fair value of the Company’s common stock at the date of the grant over the amount an employee must pay to acquire the common stock. Effective January 1, 2004, the Company changed its method of accounting for employee stock based compensation to the preferable fair value based method prescribed in Statement of Financial Accounting Standards No. 123, “Accounting for Stock Based Compensation” (“SFAS 123”). Under the fair value based method, compensation cost is measured at the grant date based on the fair value of the award and is recognized over the award vesting period. The fair value of each award is estimated as of the date of grant using the Black-Scholes options pricing model. Under the modified prospective transition method selected by Comstock as described in Statement of Financial Accounting Standards No. 148, “Accounting for Stock Based Compensation - Transition and Disclosure,” stock based compensation expense recognized for the three months ended March 31, 2004, is the same as that which would have been recognized had the fair value method of SFAS 123 been applied from its original effective date. During the three months ended March 31, 2004, the Company recorded $1.2 million in stock based compensation expense in general and administrative expenses.

In accordance with the modified prospective transition method, results for years prior to 2004 have not been restated. For the three months ended March 31, 2003, the Company accounted for stock based compensation for employees under APB 25 and related interpretations, under which no compensation cost was recognized for employee stock options. If compensation costs had been determined in accordance with SFAS 123, the Company’s net income and net earnings per share would approximate the following pro forma amounts:

	For the Three Months Ended March 31, 2003
	(In thousands, except per share amounts)
Net income, as reported	$20,832
Add stock based employee compensation expense included in reported net income, net of income taxes	39
Deduct total stock based employee compensation expense determined under fair-value-based method for all rewards, net of income taxes	(447)
Pro forma net income	$20,424
Basic earnings per share:	
As Reported	$ 0.72
Pro forma	$ 0.71
Diluted earnings per share:	
As Reported	$ 0.62
Pro forma	$ 0.60

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

Derivative Instruments and Hedging Activities

Comstock periodically uses swaps, floors and collars to hedge oil and natural gas prices and interest rates. Swaps are settled monthly based on differences between the prices specified in the instruments and the settlement prices of futures contracts. Generally, when the applicable settlement price is less than the price specified in the contract, Comstock receives a settlement from the counter party based on the difference multiplied by the volume or amounts hedged. Similarly, when the applicable settlement price exceeds the price specified in the contract, Comstock pays the counter party based on the difference. Comstock generally receives a settlement from the counter party for floors when the applicable settlement price is less than the price specified in the contract, which is based on the difference multiplied by the volumes amounts hedged. For collars, generally Comstock receives a settlement from the counter party when the settlement price is below the floor and pays a settlement to the counter party when the settlement price exceeds the cap. No settlement occurs when the settlement price falls between the floor and cap.

Comstock had no derivative financial instruments outstanding as of March 31, 2004 and had none of its oil and gas production or floating rate debt hedged during the three months ended March 31, 2004.

Comstock had an interest rate swap agreement covering $25.0 million of its floating rate date in place during the three months ended March 31, 2003 which resulted in a realized loss of $14,000 which was included in interest expense for the three months ended March 31, 2003.

Asset Retirement Obligations

Comstock adopted Statement of Financial Accounting Standards No. 143, “Accounting for Asset Retirement Obligations” (“SFAS 143”), on January 1, 2003. This statement required Comstock to record a liability in the period in which an asset retirement obligation (“ARO”) is incurred, in an amount equal to the discounted estimated fair value of the obligation that is capitalized. Thereafter, each quarter, this liability is accreted up to the final retirement cost. The adoption of SFAS 143 on January 1, 2003 resulted in a cumulative effect adjustment to record (i) a $3.7 million decrease in the carrying value of oil and gas properties, (ii) a $3.3 million decrease in accumulated depletion, depreciation and amortization, (iii) a $1.5 million decrease in reserve for future abandonment, and (iv) a gain of $675,000, net of income taxes, which was reflected as the cumulative effect of a change in accounting principle.

Comstock’s primary asset retirement obligations relate to future plugging and abandonment expenses on its oil and gas properties and related facilities disposal. As of March 31, 2004, Comstock had $1.6 million held in an escrow account from which funds are released only for reimbursement of plugging and abandonment expenses on certain offshore oil and gas properties. This amount is included in Other Assets in the consolidated balance sheet. The following table summarizes the changes in Comstock’s total estimated liability during the three months ended March 31, 2004:

	For the Three Months Ended March 31,	
	2004	**2003**
	(In thousands)	
Future abandonment liability — beginning of period	$19,174	$16,677
Cumulative effect adjustment	—	(1,476)
Accretion expense	231	184
New wells placed on production	247	51
Future abandonment liability — end of period	$19,652	$15,436

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(2) LONG-TERM DEBT —

At March 31, 2004, Comstock's long-term debt was comprised of the following:

	(In thousands)
Revolving Bank Credit Facility	$142,000
6 7/8% Senior Notes due 2012	175,000
11 1/4% Senior Notes due 2007	22,300
Other	233
	339,533
Less current portion	(233)
	$339,300

Comstock had $220.0 million in principal amount of 11 1/4% Senior Notes due 2007 (the "1999 Notes") outstanding on January 1, 2004. Pursuant to a tender offer, on February 25, 2004 Comstock repurchased $197.7 million in principal amount of the 1999 Notes for $212.2 million plus accrued interest. On May 1, 2004, the Company redeemed the remaining $22.3 million in principal amount of the 1999 Notes outstanding for $23.6 million plus accrued interest. The early extinguishment of the 1999 Notes resulted in a loss of $19.6 million in the three months ended March 31, 2004 which was comprised of the premium paid for repurchase of the 1999 Notes together with the write-off of unamortized debt issuance costs related to the 1999 Notes.

In connection with the repurchase of the 1999 Notes, Comstock sold $175.0 million of its senior notes in an underwritten public offering. The new senior notes are due March 1, 2012 and bear interest at 6 7/8%, which is payable semiannually on March 1 and September 1, commencing September 1, 2004. The notes are unsecured obligations of the Company and are currently guaranteed by all of its subsidiaries.

On February 25, 2004, Comstock also entered into a new $400.0 million bank credit facility with Bank of Montreal, as the administrative agent. The new credit facility is a four-year revolving credit commitment that matures on February 25, 2008. Borrowings under the new credit facility are limited to a borrowing base that was set at $300.0 million upon the retirement of the 1999 Notes. Borrowings under the new credit facility were used to refinance amounts outstanding under the prior bank credit facility and to fund the repurchase of the 1999 Notes.

Indebtedness under the new credit facility is secured by substantially all of Comstock's and its subsidiaries' assets and is guaranteed by all of the subsidiaries. The new credit facility is subject to borrowing base availability, which will be redetermined semiannually based on the banks' estimates of the future net cash flows of the Company's oil and natural gas properties. The borrowing base may be affected by the performance of Comstock's properties and changes in oil and natural gas prices. The determination of the borrowing base is at the sole discretion of the administrative agent and the bank group. Borrowings under the new credit facility bear interest, based on the utilization of the borrowing base, at Comstock's option at either (1) LIBOR plus 1.25% to 1.75% or (2) the base rate (which is the higher of the prime rate or the federal funds rate) plus 0% to 0.5%. A commitment fee of 0.375% is payable on the unused borrowing base. The new credit facility contains covenants that, among other things, restrict the payment of cash dividends, limit the amount of consolidated debt that Comstock may incur and limit the Company's ability to make certain loans and investments. The only financial covenants are the maintenance of a current ratio and maintenance of a minimum tangible net worth. The Company was in compliance with these covenants as of March 31, 2004.

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

We have reviewed the accompanying consolidated balance sheet, statement of operations, stockholders' equity, and cash flow statement of Comstock Resources, Inc. and subsidiaries as of March 31, 2004, and for the three-month period then ended. These financial statements are the responsibility of the Company's management. The interim consolidated financial statements of Comstock Resources, Inc. and subsidiaries as of March 31, 2003, and for the three-month period then ended were reviewed by other accountants whose report (dated May 7, 2003) stated that they were not aware of any material modifications that should be made to those statements for them to be in conformity with accounting principles generally accepted in the United States.

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

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements at March 31, 2004, and for the three-month period then ended for them to be in conformity with accounting principles generally accepted in the United States.

As discussed in Note 1 to the accompanying interim consolidated financial statements, on January 1, 2004, the Company adopted Statement of Financial Accounting Standards No. 148, "Accounting for Stock Based Compensation - Transition and Disclosure."

/s/ Ernst & Young LLP

Dallas, Texas
May 5, 2004

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

This report contains forward-looking statements that involve risks and uncertainties that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those anticipated in our forward-looking statements due to many factors. The following discussion should be read in conjunction with the consolidated financial statements and notes thereto included in this report and in our annual report filed on Form 10-K for the year ended December 31, 2003.

Results of Operations

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

	Three Months Ended March 31,	
	2004	**2003**
Net Production Data:		
Oil (Mbbls)	396	415
Natural gas (MMcf)	8,322	8,346
Natural gas equivalent (Mmcfe)	10,696	10,838
Average Sales Price:		
Oil (per Bbl)	$ 34.69	$ 33.75
Natural gas (per Mcf)	5.65	6.54
Average equivalent price (per Mcfe)	5.68	6.33
Expenses ($ per Mcfe):		
Oil and gas operating(1)	$ 1.18	$ 1.05
General and administrative	0.29	0.14
Depreciation, depletion and amortization(2)	1.45	1.35

(1) Includes lease operating costs and production and ad valorem taxes.

(2) Represents depreciation, depletion and amortization of oil and gas properties only.

Revenues -

Our oil and gas sales decreased $7.8 million (11%) in the first quarter of 2004 to $60.8 million, from $68.6 million in the first quarter of 2003, due primarily to lower natural gas prices and a slight decrease in our oil and gas production. Our average realized natural gas price decreased by 14% and our average realized crude oil price increased by 3% in the first quarter of 2004 as compared to 2003. Our production in the first quarter of 2004 decreased by 1% from production in the first quarter of 2003.

Costs and Expenses -

Our oil and gas operating expenses, including production taxes, increased $1.3 million (11%) to $12.7 million in the first quarter of 2004 from $11.4 million in the first quarter of 2003. Oil and gas operating expenses per equivalent Mcf produced increased $0.13 (12%) to $1.18 in the first quarter of 2004 from $1.05 in the first quarter of 2003. The increase in operating expenses is primarily related to the additional fixed operating costs relating to our Ship Shoal 113 Unit in which we acquired an additional working interest in late 2003.

In the first quarter of 2004, we had $3.4 million in exploration expense as compared to $1.6 million in the first quarter of 2003. The provision in the first quarter of 2004 primarily relates to three exploratory dry holes drilled in the first quarter, as well as costs related to acquisition of seismic data.

Depreciation, depletion and amortization ("DD&A") increased $0.9 million (6%) to $15.8 million in the first quarter of 2004 from $14.9 million in the first quarter of 2003 due to an increase in our average DD&A rate. Our DD&A per equivalent Mcf produced increased by $0.10 to $1.45 for the quarter ended March 31, 2004 from $1.35 for the quarter ended March 31, 2003.

General and administrative expenses, which are reported net of overhead reimbursements, increased by $1.6 million to $3.1 million for the first quarter of 2004 as compared to general and administrative expenses of $1.5 million for the first quarter of 2003. The increase was primarily related to the stock based compensation expense that we recorded in the first quarter of 2004 of $1.2 million resulting from our adoption of a fair value-based method of accounting for employee stock based compensation including employee stock options on January 1, 2004.

Interest expense decreased $1.3 million (18%) to $6.3 million for the first quarter of 2004 from $7.6 million in the first quarter of 2003. The decrease is due to a reduction in the average borrowings outstanding under our credit facility of $110.6 million during the first quarter of 2004 as compared to $149.3 million outstanding during the first quarter of 2003. The average interest rate on the outstanding borrowings under the credit facility also decreased to 2.6% in the first quarter of 2004 as compared to 3.2% in the first quarter of 2003.

We reported a net income of $25,000 for the three months ended March 31, 2004, as compared to net income of $21.2 million for the three months ended March 31, 2003. The net income per share for the first quarter of 2004 was $0.00 on weighted average diluted shares outstanding of 35.6 million as compared to $0.62 for the first quarter of 2003 on weighted average diluted shares outstanding of 34.6 million. The first quarter 2004 results include a charge of $19.6 million ($12.5 million after income taxes or 35¢ per share) relating to the early retirement of our 11¼% Senior Notes due 2007.

Critical Accounting Policies

The information included in "Management's Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies" in our annual report filed on Form 10-K for the year ended December 31, 2003 is incorporated herein by reference. There have been no material changes to our accounting policies during the three months ended March 31, 2004 with the exception of our adoption of a fair value-based method of accounting for stock based compensation including employee stock options as discussed in Note 1 to the accompanying financial statements.

Liquidity and Capital Resources

Funding for our activities has historically been provided by our operating cash flow, debt or equity financings or asset dispositions. For the three months ended March 31, 2004, our net cash flow provided by operating activities totaled $20.4 million and we received proceeds of $175.0 million from a public offering of eight-year senior notes and borrowed $148.0 million under a new four-year bank credit facility.

Our primary needs for capital, in addition to funding our ongoing operations, relate to the acquisition, development and exploration of our oil and gas properties and the repayment of our debt. In the first quarter of 2004, we incurred capital expenditures of $38.0 million primarily for our development and exploration activities and we retired $304.7 million of our long-term debt.

The following table summarizes our capital expenditure activity for the three months ended March 31, 2004 and 2003:

	Three Months Ended March 31,	
	2004	2003
	(In thousands)	
Acquisitions	$ 715	$ —
Leasehold costs	1,418	1,209
Development drilling	21,010	2,917
Exploratory drilling	7,852	10,723
Offshore production facilities	2,148	147
Workovers and recompilations	4,828	1,275
Other	14	184
	$37,985	$16,455

The timing of most of our capital expenditures is discretionary because we have no material long-term capital expenditure commitments. Consequently, we have a significant degree of flexibility to adjust the level of our capital expenditures as circumstances warrant. We spent $37.3 million and $16.3 million on development and exploration activities in the three months ended March 31, 2004 and 2003, respectively. We have budgeted approximately $110.0 million for development and exploration projects in 2004. We expect to use internally generated cash flow to fund our development and exploration activity.

We do not have a specific acquisition budget for 2004 since the timing and size of acquisitions are not predictable. We intend to use borrowings under our bank credit facility, or other debt or equity financings to the extent available, to finance significant acquisitions. The availability and attractiveness of these sources of financing will depend upon a number of factors, some of which will relate to our financial condition and performance and some of which will be beyond our control, such as prevailing interest rates, oil and natural gas prices and other market conditions.

We had $220.0 million in principal amount of our 11¼% Senior Notes due 2007 (the “1999 Notes”) outstanding on January 1, 2004. Pursuant to a tender offer, on February 25, 2004 we repurchased $197.7 million in principal amount of the 1999 Notes for $212.2 million plus accrued interest. On May 1, 2004, we redeemed the remaining $22.3 million in principal amount of the 1999 Notes outstanding for $23.6 million plus accrued interest. The early extinguishment of the 1999 Notes resulted in a loss of $19.6 million in the first quarter which was comprised of the premium paid for repurchase the of 1999 Notes together with the write-off of unamortized debt issuance costs related to the 1999 Notes.

In connection with the repurchase of the 1999 Notes, we sold $175.0 million of senior notes in an underwritten public offering. The new senior notes are due March 1, 2012 and bear interest at 6 7/8%, which is payable semiannually on March 1 and September 1, commencing September 1, 2004. The notes are unsecured obligations and are currently guaranteed by all of our subsidiaries.

On February 25, 2004, we also entered into a new $400.0 million bank credit facility with Bank of Montreal, as the administrative agent. The new credit facility is a four-year revolving credit commitment that matures on February 25, 2008. Borrowings under the new credit facility are limited to a borrowing base that was set at $300.0 million upon the retirement of the 1999 Notes. Borrowings under the new credit facility were used to refinance amounts outstanding under our prior bank credit facility and to fund the repurchase of the 1999 Notes.

Indebtedness under the new credit facility is secured by substantially all of our and our subsidiaries’ assets and is guaranteed by all of our subsidiaries. The new credit facility is subject to borrowing base availability, which will be redetermined semiannually based on the banks' estimates of the future net cash flows of our oil and natural gas properties. The borrowing base may be affected by the performance of our properties and changes in oil and natural gas prices. The determination of the borrowing base is at the sole discretion of the administrative agent and the bank group. Borrowings under the new credit facility bear interest, based on the utilization of the borrowing base, at our option at either (1) LIBOR plus 1.25% to 1.75% or (2) the base rate (which is the higher of the prime rate or the federal funds rate) plus 0% to 0.5%. A commitment fee of 0.375% is payable on the unused borrowing base. The new credit facility contains covenants that, among other things, restrict the payment of cash dividends, limit the amount of consolidated debt that we may incur and limit our ability to make certain loans and investments. The only financial covenants are the maintenance of a current ratio and maintenance of a minimum tangible net worth. We were in compliance with these covenants as of March 31, 2004.

We believe that our cash flow from operations and available borrowings under our bank credit facility will be sufficient to fund our operations and future growth as contemplated under our current business plan. However, if our plans or assumptions change or if our assumptions prove to be inaccurate, we may be required to seek additional capital. We cannot provide any assurance that we will be able to obtain such capital, or if such capital is available, that we will be able to obtain it on terms acceptable to us.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISKS

Oil and Natural Gas Prices

Our financial condition, results of operations and capital resources are highly dependent upon the prevailing market prices of oil and natural gas. These commodity prices are subject to wide fluctuations and market uncertainties due to a variety of factors, some of which are beyond our control. Factors influencing oil and natural gas prices include the level of global demand for crude oil, the foreign supply of oil and natural gas, the establishment of and compliance with production quotas by oil exporting countries, weather conditions that determine the demand for natural gas, the price and availability of alternative fuels and overall economic conditions. It is impossible to predict future oil and natural gas prices with any degree of certainty. Sustained weakness in oil and natural gas prices may adversely affect our financial condition and results of operations, and may also reduce the amount of oil and natural gas reserves that we can produce economically. Any reduction in our oil and natural gas reserves, including reductions due to price fluctuations, can have an adverse effect on our ability to obtain capital for our exploration and development activities. Similarly, any improvements in oil and natural gas prices can have a favorable impact on our financial condition, results of operations and capital resources. Based on our oil and natural gas production in the three months ended March 31, 2004, a $1.00 change in the price per barrel of oil would have resulted in a change in our cash flow for such period by approximately $0.4 million and a $1.00 change in the price per Mcf of natural gas would have changed our cash flow by approximately $8.0 million.

We periodically use hedging transactions with respect to a portion of our oil and natural gas production to mitigate our exposure to price changes. While the use of these hedging arrangements limits the downside risk of price declines, such use may also limit any benefits that may be derived from price increases. We use swaps, floors and collars to hedge oil and natural gas prices. Swaps are settled monthly based on differences between the prices specified in the instruments and the settlement prices of futures contracts quoted on the New York Mercantile Exchange. Generally, when the applicable settlement price is less than the price specified in the contract, we receive a settlement from the counter party based on the difference multiplied by the volume hedged. Similarly, when the applicable settlement price exceeds the price specified in the contract, we pay the counter party based on the difference. We generally receive a settlement from the counter party for floors when the applicable settlement price is less than the price specified in the contract, which is based on the difference multiplied by the volumes hedged. For collars, we generally receive a settlement from the counter party when the settlement price is below the floor and pay a settlement to the counter party when the settlement price exceeds the cap. No settlement occurs when the settlement price falls between the floor and cap. None of our oil and gas production was hedged in the period ended March 31, 2004 or 2003.

Interest Rates

At March 31, 2004, we had long-term debt of $339.3 million. Of this amount, $175.0 million bears interest at a fixed rate of 6 7/8% and $22.3 million carried an interest rate of 11¼%. We had $142.0 million outstanding under our bank credit facility, which is subject to floating market rates of interest. Borrowings under the bank credit facility bear interest at a fluctuating rate that is linked to LIBOR or the corporate base rate, at our option. Any increases in these interest rates can have an adverse impact on our results of operations and cash flow.

ITEM 4. CONTROLS AND PROCEDURES

As of March 31, 2004, we carried out an evaluation, under the supervision and with the participation of our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934). Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of March 31, 2004 to provide reasonable assurance that information required to be disclosed by us in the reports filed or submitted by us under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and to provide reasonable assurance that information required to be disclosed by us is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

There were no changes in our internal controls over financial reporting (as such term is defined in Rule 13a-15(f) under the Securities Exchange Act of 1934) that occurred during the quarter ended March 31, 2004, that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

PART II — OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a. **Exhibits**

4.1*	Second Supplemental Indenture dated as of March 11, 2004 between Comstock, the Guarantors and The Bank of New York Trust Company, N.A., Trustee for the 6 7/8% Notes due 2012.
10.1*#	Amendment No. 2 dated April 7, 2004 to the Comstock Resources, Inc. 1999 Long- term Incentive Plan.
10.2*	Amendment No. 1 dated March 31, 2004 to the Credit Agreement, dated as of February 25, 2004, by and among Comstock, as borrower, each lender from time to time party thereto, Bank of Montreal, as administrative agent and issuing bank.
15.1*	Awareness Letter of Ernst & Young LLP.
31.1*	Section 302 Certification of the Chief Executive Officer.
31.2*	Section 302 Certification of the Chief Financial Officer.
32.1*	Certification for the Chief Executive Officer as required by Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification for the Chief Financial Officer as required by Section 906 of the Sarbanes-Oxley Act of 2002.

* Filed herewith

\# Management contract or compensatory plan document.

b. Reports on Form 8-K

Form 8-K Reports filed subsequent to December 31, 2003 are as follows:

Date	Item	Description
January 28, 2004	12	Oil and gas reserves for the fiscal year ended December 31, 2003.
February 5, 2004	12	Drilling results for the fiscal year ended December 31, 2003 and capital expenditure budget for 2004.
February 17, 2004	12	Financial results for the three months and year ended December 31, 2003.
February 24, 2004	5	Tender offer for 11 1/4% Senior Notes due 2007 and sale of 6 7/8% Senior Notes due 2012.
May 4, 2004	5	Repurchase of remaining 11 1/4% Senior Notes due 2007.
May 4, 2004	12	Financial results for the three months ended March 31, 2004.

SIGNATURES

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

COMSTOCK RESOURCES, INC.

Date	May 7, 2004	/s/M. JAY ALLISON
		M. Jay Allison, Chairman, President and Chief Executive Officer (Principal Executive Officer)
Date	May 7, 2004	/s/ROLAND O. BURNS
		Roland O. Burns, Senior Vice President, Chief Financial Officer, Secretary, and Treasurer (Principal Financial and Accounting Officer)

Exhibit 4.1

COMSTOCK RESOURCES, INC.,

GUARANTORS

NAMED HEREIN

and

THE BANK OF NEW YORK TRUST COMPANY, N.A.

Trustee

SECOND SUPPLEMENTAL INDENTURE

dated as of March 11, 2004

to

INDENTURE

dated as of February 25, 2004

----

6 7/8% Senior Notes due 2012

THIS SECOND SUPPLEMENTAL INDENTURE dated as of March 11, 2004 (as originally executed and as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, this "Second Supplemental Indenture"), is among COMSTOCK RESOURCES, INC., a Nevada corporation (hereinafter called the "Company"), the GUARANTORS (as defined in the Indenture) and THE BANK OF NEW YORK TRUST COMPANY, N.A., as Trustee (hereinafter called the "Trustee"). Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Indenture (as defined below).

RECITALS OF THE COMPANY

WHEREAS, the Company, the Guarantors and the Trustee entered into an Indenture dated as of February 25, 2004 (the "Original Indenture"), as the same was amended and supplemented by that certain First Supplemental Indenture dated as of February 25, 2004 (the "First Supplemental Indenture" and, together with the Original Indenture, the "Indenture"), providing for the issuance by the Company from time to time, and the establishment of the terms of, the Company's 6 7/8% Senior Notes due 2012;

WHEREAS, Section 6.10 of the First Supplemental Indenture provides that each Restricted Subsidiary that guarantees the payment of, assumes or in any other manner becomes liable (whether directly or indirectly) with respect to any Indebtedness of the Company or any other Restricted Subsidiary of the Company, including, without limitation, Indebtedness under the Bank Credit Facility, will execute and deliver a supplemental indenture agreeing to be bound by the terms of the Indenture applicable to a Guarantor and providing for a Guarantee of the Securities;

WHEREAS, effective March 10, 2004, (i) the Company formed Comstock Oil & Gas GP, LLC, a Nevada limited liability company ("COG-GP"), and Comstock Oil & Gas Investments, LLC, a Nevada limited liability company ("Investments"), and contributed 0.1% of all outstanding stock of Comstock Oil & Gas, Inc., a Nevada corporation and an existing Restricted Subsidiary ("COGI"), to COG-GP and 99.9% of the stock of COGI to Investments, and (ii) pursuant to Articles of Conversion, COGI converted into a Nevada limited partnership, which is now known as Comstock Oil & Gas, LP; and

WHEREAS, COG-GP and Investments (collectively, the "Additional Guarantors") have become Restricted Subsidiaries and desire to execute this Second Supplemental Indenture for the purpose of agreeing to be bound by the terms of the Indenture applicable to a Guarantor and providing for a Guarantee of the Securities.

NOW, THEREFORE, for the purposes stated herein and for and in consideration of the premises and covenants contained in the Indenture and in this Second Supplemental Indenture and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually covenanted and agreed as follows:

ARTICLE I.

Section 1.1 Additional Guarantors.

(a) From the date of this Second Supplemental Indenture, in accordance with Section 6.10 of the First Supplemental Indenture, each of the Additional Guarantors shall be subject to the provisions, and agrees to be bound by the terms, of the Indenture applicable to a Guarantor; and each of the Additional Guarantors hereby unconditionally, jointly and severally, guarantees to each Holder of Securities authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, the full and prompt performance of the Company's obligations under the Indenture and the Securities.

(b) Notwithstanding the foregoing and the other provisions of the Indenture, the Guarantees of the Additional Guarantors shall be automatically and unconditionally released and discharged upon the terms and conditions set forth in Section 9.3 of the First Supplemental Indenture.

ARTICLE II

Section 2.1 Ratification of Indenture.

As supplemented by this Second Supplemental Indenture, the Indenture is in all respects ratified and confirmed, and the Indenture as supplemented by this Second Supplemental Indenture shall be read, taken and construed as one and the same instrument.

Section 2.2 Conflict with Trust Indenture Act.

If any provision hereof limits, qualifies or conflicts with another provision hereof which is required to be included in this Second Supplemental Indenture by any provision of the Trust Indenture Act, such required provisions shall control.

Section 2.3 Counterparts.

This Second Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

Section 2.4 Governing Law.

This Second Supplemental Indenture and the Guarantees contained herein shall be governed by, and construed and enforced in accordance with, the laws of the State of New York but without giving effect to applicable principles of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby.

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed, all as of the day and year first above written.

ISSUER:

COMSTOCK RESOURCES, INC.

By: /s/ Roland O. Burns

Roland O. Burns
Senior Vice President, Chief Financial Officer,
Secretary and Treasurer

GUARANTORS:

COMSTOCK OIL & GAS, LP

By: /s/ Roland O. Burns

Roland O. Burns

Senior Vice President, Chief Financial Officer, Secretary and Treasurer of COMSTOCK RESOURCES, INC., a Nevada corporation, acting in its capacity as the sole member of COMSTOCK OIL & GAS GP, LLC, a Nevada limited liability company, and as the sole member of such entity, acting on behalf of such entity in such entity's capacity as the sole general partner of COMSTOCK OIL & GAS, LP, a Nevada limited partnership

COMSTOCK OIL & GAS HOLDINGS, INC.

By: /s/ Roland O. Burns

Roland O. Burns
Senior Vice President, Chief Financial Officer,
Secretary and Treasurer

[SIGNATURE PAGE CONTINUES]

COMSTOCK OIL & GAS-LOUISIANA, LLC

By: /s/ Roland O. Burns

Roland O. Burns
Manager, Senior Vice President, Chief Financial Officer, Secretary and Treasurer

COMSTOCK OFFSHORE, LLC

By: /s/ Roland O. Burns

Roland O. Burns
Manager, Senior Vice President, Chief Financial Officer, Secretary and Treasurer

ADDITIONAL GUARANTORS:

COMSTOCK OIL & GAS GP, LLC

By: /s/ Roland O. Burns

Roland O. Burns
Senior Vice President, Chief Financial Officer, Secretary and Treasurer of COMSTOCK RESOURCES, INC., a Nevada corporation, acting on behalf of such entity in its capacity as the sole member of COMSTOCK OIL & GAS GP, LLC

COMSTOCK OIL & GAS INVESTMENTS, LLC

By: /s/ Roland O. Burns

Roland O. Burns
Manager

TRUSTEE:

THE BANK OF NEW YORK TRUST COMPANY, N.A.

By: /s/ Patrick T. Giordano

Patrick T. Giordano
Vice President

Exhibit 10.1

SECOND AMENDMENT TO
COMSTOCK RESOURCES, INC.
1999 LONG-TERM INCENTIVE PLAN

WHEREAS, Comstock Resources, Inc., a Nevada corporation (the "Company") established the Comstock Resources, Inc., 1999 Long-term Incentive Plan (the "Plan"), for the benefit of its directors and eligible employees; and

WHEREAS, the Company reserved the right to amend the Plan under the terms thereof, subject to stockholder approval in certain instances; and

WHEREAS, recent New York Stock Exchange rules make it desirable to amend the Plan in order to establish a fixed term for the Plan; and

WHEREAS, pending changes to the financial accounting rules for stock options make it desirable to authorize the award of Stock Units under the Plan in addition to Restricted Stock and Performance Units.

NOW, THEREFORE, the Plan is hereby amended effective as of April 1, 2004, to provide as follows:

I. Paragraph 2. of the Plan is amended to provide as follows:

1. Effective Date. The 1999 Plan was effective as of April 1, 1999, and was approved by the stockholders of the Company at its 1999 annual meeting. The 1999 Plan was amended in 2001. The 1999 Plan originally provided that its term was unlimited in duration. Effective April 1, 2004, the 1999 Plan was amended to provide that its term shall extend until March 31, 2009, and that no awards may be made under the 1999 Plan after ten (10) years from the earlier of the date of its adoption by the Board or the date of its approval by the stockholders of the Company.

II. Part V. of the Plan is amended to provide as follows:

I. STOCK UNITS AND PERFORMANCE UNITS

1. Definition. A "Stock Unit" Award is the grant of a right to receive shares of Stock in the future. Performance Units are awards to Participants who may receive value for the units at the end of a Performance Period. The number of units earned, and value received for them, will be contingent on the degree to which the performance measures established at the time of the initial award are met. The term "Performance Units" as used in Parts I through IV of the Plan shall be deemed to include both Stock Units and Performance Units.

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

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

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

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

Executed this 7th day of April, 2004.

COMSTOCK RESOURCES, INC.

By: /s/ M. JAY ALLISON

M. Jay Allison
President and Chief Executive Officer

Exhibit 10.2

FIRST AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT

This First Amendment to Amended and Restated Credit Agreement (this "FIRST AMENDMENT") dated as of March 31, 2004, to be effective as set forth in Section 5 hereof, is among Comstock Resources, Inc., a Nevada corporation ("BORROWER"), the financial institutions party hereto, and Bank of Montreal, as administrative agent and as letter of credit issuing bank.

PRELIMINARY STATEMENT

A. The Borrower has entered into a certain Amended and Restated Credit Agreement dated as of February 25, 2004, among Borrower, the lenders party thereto (the "EXISTING LENDERS"), Bank of Montreal, as administrative agent (in such capacity, the "ADMINISTRATIVE AGENT") and as issuing bank (in such capacity, the "ISSUING BANK"), Bank of America, N.A., as syndication agent, and Comerica Bank, Fortis Capital Corp., and Union Bank of California, N.A., as co-documentation agents, (such Amended and Restated Credit Agreement, as amended, restated or supplemented from time to time until the date hereof, the "CREDIT AGREEMENT").

B. The Borrower has requested that the Credit Agreement be amended and modified to allow The Bank of Nova Scotia ("SCOTIA"), Bank of Scotland ("SCOTLAND"), Compass Bank ("COMPASS"), Credit Lyonnais New York Branch ("CREDIT LYONNAIS"), Hibernia National Bank ("HIBERNIA") and Natexis Banques Populaires ("NATEXIS"; and together with Scotia, Scotland, Compass, Credit Lyonnais and Hibernia, collectively, the "NEW LENDERS") to become "Lenders" party to the Credit Agreement, as set forth herein.

C. Subject to the terms and conditions of this First Amendment, the Existing Lenders, the New Lenders, the Administrative Agent and the Issuing Bank have agreed to enter into this First Amendment in order to effectuate such amendments and modifications.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements set forth herein, the parties agree as follows:

Section 1. DEFINITIONS. Unless otherwise defined in this First Amendment, each capitalized term used in this First Amendment (including in the preliminary statement above) has the meaning assigned to such term in the Credit Agreement.

Section 2. AMENDMENT OF CREDIT AGREEMENT.

(a) The Credit Agreement is hereby amended by deleting the existing Schedule 2.1 to the Credit Agreement and inserting in its place the text contained in Attachment 1 attached to this First Amendment as the new Schedule 2.1 to the Credit Agreement.

(b) The Credit Agreement is hereby amended by inserting at the end of the existing Schedule 10.2 to the Credit Agreement the text contained in Attachment 2 attached to this First Amendment.

Section 3. SCOTIA, SCOTLAND, COMPASS, CREDIT LYONNAIS, HIBERNIA AND NATEXIS AS LENDERS.

(a) Upon the effectiveness of this First Amendment and by its execution and delivery hereof, each of Scotia, Scotland, Compass, Credit Lyonnais, Hibernia and Natexis shall be deemed automatically to have become a party to the Credit Agreement, shall have all the rights and obligations, severally and not jointly, of a "Lender" under the Credit Agreement and the other Loan Documents as if each were an original signatory thereto, and shall agree, and does hereby agree, severally and not jointly, to be bound by the terms and conditions set forth in the Credit Agreement and the other Loan Documents to which the Lenders are a party, in each case, as if each were an original signatory thereto.

(b) Each of Scotia, Scotland, Compass, Credit Lyonnais, Hibernia and Natexis, severally and not jointly, (i) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements referred to in Section 5.5 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this First Amendment and the Credit Agreement; (ii) agrees that is has independently and without reliance upon the Assignor or the Administrative Agent and based on such information as it has deemed appropriate, made its own credit analysis and decision to enter into this First Amendment and the Credit Agreement (and that it will, independently and without reliance upon the Administrative Agent, the Issuing Bank, the Arranger or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement); (iii) represents and warrants that (1) its name set forth herein is its legal name, (2) it has the full power and authority and the legal right to make, deliver and perform, and has taken all necessary action, to authorize the execution, delivery and performance of this First Amendment, and any and all other documents delivered by it in connection herewith and to fulfill its obligations under, and to consummate the transactions contemplated by, this First Amendment, the Credit Agreement and the Loan Documents, (3) no consent or authorization of, filing with, or other act by or in respect of any Governmental Authority, is required in connection in connection herewith or therewith, and (4) this First Amendment constitutes its legal, valid and binding obligation; (iv) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Loan Documents as are delegated to the Administrative Agent by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; (v) appoints and authorizes the Issuing Bank to take such action as letter of credit issuing bank on its behalf and to exercise such powers and discretion under the Loan Documents as are delegated to the Issuing Bank by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; (vi) agrees that it will perform in accordance with their terms all of the obligations that by the terms of the Credit Agreement are required to be performed by it as a Lender; and (vii) represents and warrants that under applicable Laws no tax will be required to be withheld by the

Administrative Agent or the Borrower with respect to any payments to be made to such New Lender hereunder or under any Loan Document, and no tax forms described in Section 3.8 of the Credit Agreement are required to be delivered by such New Lender (or if required, such tax forms have been delivered to the Administrative Agent as required under Section 3.8 of the Credit Agreement).

(c) Each of Scotia, Scotland, Compass, Credit Lyonnais, Hibernia and Natexis hereby advises each other party hereto that its respective address for notices and its respective Lending Office shall be as set forth below its name on Schedule 10.2 to the Credit Agreement (as amended hereby).

Section 4. RATIFICATION. The Borrower hereby ratifies and confirms all of the Obligations under the Credit Agreement and the other Loan Documents.

Section 5. EFFECTIVENESS. This First Amendment shall become effective as of the date first written above upon satisfaction of each of the conditions set forth in this Section 5:

(a) The Administrative Agent shall have received duly executed counterparts of this First Amendment from the Borrower, the Issuing Bank and each Lender (including each New Lender), and duly acknowledged by each of the Guarantors.

(b) The Borrower shall deliver to the Administrative Agent on behalf of each Existing Lender whose Percentage Share is decreasing upon the effectiveness of this First Amendment and each New Lender a promissory note dated the Closing Date and payable to each such Lender in a maximum principal amount equal to such Lender's Percentage Share (as shown on Attachment 1 hereto) of $400,000,000, which Note shall be a renewal and replacement of, and shall be given in substitution and exchange for, but not in payment of, those Notes held by the Existing Lenders prior to the effectiveness of this First Amendment.

(c) The Borrower shall have confirmed and acknowledged to the Administrative Agent, the Issuing Bank and the Lenders, and by its execution and delivery of this First Amendment the Borrower does hereby confirm and acknowledge to the Administrative Agent, the Issuing Bank and the Lenders, that (i) the execution, delivery and performance of this First Amendment has been duly authorized by all requisite corporate action on the part of the Borrower; (ii) the Credit Agreement and each other Loan Document to which it is a party constitute valid and legally binding agreements enforceable against the Borrower in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws relating to or affecting the enforcement of creditors' rights generally and by general principles of equity, (iii) the representations and warranties by the Borrower contained in the Credit Agreement and in the other Loan Documents are true and correct on and as of the date hereof in all material respects as though made as of the date hereof, and (iv) no Default or Event of Default exists under the Credit Agreement or any of the other Loan Documents.

(d) The Administrative Agent shall have received a certificate of insurance of the Borrower and its Subsidiaries evidencing that the Borrower and its Subsidiaries are carrying insurance in accordance with Section 6.7 of the Credit Agreement naming the Administrative Agent as a loss payee and the Administrative Agent and the Lenders (including the New Lenders) as additional insureds and that such insurance is in full force and effect.

Section 6. RENEWAL AND CONTINUATION OF EXISTING LOANS. Upon the effectiveness of this First Amendment:

(a) All of the Obligations outstanding under the Credit Agreement as of the date of such effectiveness shall hereby be restructured, rearranged, renewed, extended and continued under the Credit Agreement (as amended hereby) and all Loans outstanding under the Credit Agreement as of the date of such effectiveness shall hereby become Loans outstanding under the Credit Agreement (as amended hereby).

(b) In connection herewith, the Existing Lenders hereby sell, assign, transfer and convey, and each of Scotia, Scotland, Compass, Credit Lyonnais, Hibernia and Natexis hereby purchases and accepts, so much of the Aggregate Commitments under, Loans outstanding under, and participations in Letters of Credit issued pursuant to, the Credit Agreement such that the Percentage Share of each Lender (including the Existing Lenders and each of Scotia, Scotland, Compass, Credit Lyonnais, Hibernia and Natexis) shall be as set forth on Schedule 2.1 to the Credit Agreement (as amended hereby). The foregoing assignments, transfers and conveyances are without recourse to the Existing Lenders and without any warranties whatsoever by the Administrative Agent, the Issuing Bank or any Existing Lender as to title, enforceability, collectibility, documentation or freedom from liens or encumbrances, in whole or in part, other than the warranty of each Existing Lender that it has not previously sold, transferred, conveyed or encumbered such interests.

Section 7. REPRESENTATIONS OF EXISTING LENDERS. Each Existing Lender represents and warrants to the Administrative Agent, each other Existing Lender and each New Lender that (1) it has the power and authority and the legal right to make, deliver and perform, and has taken all necessary action, to authorize the execution, delivery and performance of this First Amendment and to fulfill its obligations under, and to consummate the transactions contemplated by, this First Amendment, and no consent or authorization of, filing with, or other act by or in respect of any Governmental Authority, is required in connection in connection herewith or therewith; and (2) this First Amendment constitutes the legal, valid and binding obligation of such Existing Lender. None of the Administrative Agent, the Issuing Bank or any Existing Lender makes any representation or warranty or assumes any responsibility with respect to the financial condition of the Borrower or any of its Affiliates or the performance by the Borrower or any of its Affiliates of their respective obligations under the Loan Documents, and none of the Administrative Agent, the Issuing Bank or any Existing Lender assumes any responsibility with respect to any statements, warranties or representations made under or in connection with any Loan Document or the execution, legality, validity, enforceability, genuineness, sufficiency or value of any Loan Document other than as expressly set forth above.

Section 8. GOVERNING LAW. This First Amendment shall be governed by, and construed in accordance with, the laws of the State of New York (without giving effect to the principles thereof relating to conflicts of law except section 5-1401 of the New York General Obligations Law).

Section 9. MISCELLANEOUS. (a) On and after the effectiveness of this First Amendment, each reference in each Loan Document to "this Agreement", "this Note", "this Mortgage", "hereunder", "hereof" or words of like import, referring to such Loan Document, and each reference in each other Loan Document to "the Credit Agreement", "the Notes", "the Mortgages", "thereunder", "thereof" or words of like import referring to the Credit Agreement, the Notes, or the Mortgage or any of them, shall mean and be a reference to such Loan Document, the Credit Agreement, the Notes, the Mortgage or any of them, as amended or otherwise modified by this First Amendment; (b) the execution, delivery and effectiveness of this First Amendment shall not, except as expressly provided herein, operate as a waiver of any default of the Borrower or any other Loan Party or any right, power or remedy of the Administrative Agent, the Issuing Bank and the Lenders under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents; (c) this First Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement; and (d) delivery of an executed counterpart of a signature page to this First Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this First Amendment.

Section 10. FINAL AGREEMENT. THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS 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 ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed by its officers thereunto duly authorized as of the date first above written.

BORROWER:

COMSTOCK RESOURCES, INC.,
a Nevada corporation

By: /s/ ROLAND O. BURNS

Name: Roland O. Burns
Title: Chief Financial Officer

ADMINISTRATIVE AGENT, ISSUING BANK AND LENDERS:

BANK OF MONTREAL,
as Administrative Agent, Issuing Bank and Lender

By: /s/ JAMES V. DUCOTE

Name: James V. Ducote
Title: Director

BANK OF AMERICA, N.A.,

By: /s/ STEVEN A. MACKENZIE

Name: Steven A. Mackenzie
Title: Vice President

FORTIS CAPITAL CORP.

By: /s/ DAVID MONTGOMERY

Name: David Montgomery
Title: Senior Vice President

By: /s/ DARRELL W. HOLLEY

Name: Darrell W. Holley
Title: Managing Director

COMERICA BANK

By: /s/ PETER L. SEFZIK

Name: Peter L. Sefzik
Title: Vice President

UNION BANK OF CALIFORNIA, N.A.

By: /s/ SEAN MURPHY

Name: Sean Murphy
Title: Vice President

THE BANK OF NOVA SCOTIA

By: /s/ NADINE BELL

Name: Nadine Bell
Title: Senior Manager

BANK OF SCOTLAND

By: /s/ JOSEPH FRATUS

Name: Joseph Fratus
Title: First Vice President

COMPASS BANK

By: /s/ DOROTHY MARCHAND

Name: Dorothy Marchand
Title: Senior Vice President

CREDIT LYONNAIS NEW YORK BRANCH

By: /s/ PHILIPPE SOUSTRA

Name: Philippe Soustra
Title: Executive Vice President

HIBERNIA NATIONAL BANK

By: /s/ DARIA MAHONEY

Name: Daria Mahoney
Title: Vice President

NATEXIS BANQUES POPULAIRES

By: /s/ DONOVAN C. BROUSSARD

Name: Donovan C. Broussard
Title: Vice President & Manager

By: /s/ LOUIS P. LAVILLE, III

Name: Louis P. Laville, III
Title: Vice President & Manager

ACKNOWLEDGMENT BY GUARANTORS

Each of the undersigned Guarantors hereby (i) consents to the terms and conditions of that certain First Amendment to Credit Agreement dated as of March 31, 2004 (the "First Amendment"), (ii) acknowledges and agrees that its consent is not required for the effectiveness of the First Amendment, (iii) ratifies and acknowledges its respective Obligations under each Loan Document to which it is a party, and (iv) represents and warrants that (a) no Default or Event of Default has occurred and is continuing, (b) it is in full compliance with all covenants and agreements pertaining to it in the Loan Documents, and (c) it has reviewed a copy of the First Amendment.

COMSTOCK OIL & GAS HOLDINGS, INC.
COMSTOCK OIL & GAS - LOUISIANA, LLC
COMSTOCK OFFSHORE, LLC
COMSTOCK OIL & GAS GP, LLC,
By Comstock Resources, Inc., its sole member

COMSTOCK OIL & GAS, LP, By
Comstock Oil & Gas GP, LLC,
its general partner,
By Comstock Resources, Inc., its sole member

By: /s/ ROLAND O. BURNS

Name: Roland O. Burns
Title: Chief Financial Officer

COMSTOCK OIL & GAS INVESTMENTS, LLC

By: /s/ ROLAND O. BURNS

Name: Roland O. Burns
Title: Manager

ATTACHMENT 1

SCHEDULE 2.1

COMMITMENTS
AND PERCENTAGE SHARES

LENDER	COMMITMENT	PERCENTAGE SHARE
Bank of Montreal	$ 77,333,333.33	19.33333333%
Bank of America, N.A.	44,000,000.00	11.00000000%
Comerica Bank	44,000,000.00	11.00000000%
Fortis Capital Corp.	44,000,000.00	11.00000000%
Union Bank of California, N.A.	44,000,000.00	11.00000000%
Bank of Scotland	$ 33,333,333.33	8.33333333%
The Bank of Nova Scotia	$ 26,666,666.67	6.66666667%
Credit Lyonnais, New York Branch	$ 26,666,666.67	6.66666667%
Compass Bank	$ 20,000,000.00	5.00000000%
Hibernia National Bank	$ 20,000,000.00	5.00000000%
Natexis Banques Populaires	$ 20,000,000.00	5.00000000%
Total	$400,000,000.00	100.00000000%

ATTACHMENT 2

THE BANK OF NOVA SCOTIA
Address for Notices:

The Bank of Nova Scotia
Houston Representative Office
1100 Louisiana, Suite 3000
Houston, TX 77002
Attention: Bobby Roberts
Telephone: (713) 759-3436
Facsimile: (713) 752-2425
Electronic Mail: bobby_roberts@scotiacapital.com

Lending Office:

The Bank of Nova Scotia
Atlanta Agency
Suite 2700, 600 Peachtree St. N.E.
Atlanta, GA 30308

BANK OF SCOTLAND

Address for Notices:
Bank of Scotland
565 Fifth Avenue
New York, NY 10017
Attention: Shirley Vargas
           Vice President

Telephone: 212 450-0875
Facsimile: (212) 479-2807
Electronic Mail: shirley_vargas@bankofscotland.com

Lending Office:
Bank of Scotland
565 Fifth Avenue
New York, NY 10017

COMPASS BANK

Address for Notices:
Compass Bank
24 Greenway Plaza, Suite 1400A
Houston, TX 77046
Attention: Dorothy Marchand
Telephone: (713) 968-8272
Facsimile: (713) 968-8292
Electronic Mail: dorothy.marchand@compassbnk.com

Lending Office:
Compass Bank
24 Greenway Plaza, Suite 1400A
Houston, TX 77046

CREDIT LYONNAIS NEW YORK BRANCH

Address for Notices:
Credit Lyonnais New York Branch
1301 Travis, Suite 2100
Houston, TX 77002
Attention: Richard Kaufman
Telephone: (713) 890-8605
Facsimile: (713) 890-8666
Electronic Mail: Richard.Kaufman@clamericas.com

Lending Office:
Credit Lyonnais New York Branch
1301 Avenue of the Americas
New York, New York 10019

Hibernia National Bank

Address for Notices:
Hibernia National Bank
313 Carondelet St., 10th Floor
New Orleans, LA 70130
Attention: Daria Mahoney
Telephone: (504) 533-2589
Facsimile: (504) 533-5434
Electronic Mail: dmahoney@hibernia.com

Lending Office:
Hibernia National Bank
313 Carondelet St., 10th Floor
New Orleans, LA 70130

NATEXIS BANQUES POPULAIRES
Address for Notices:
Natexis Banques Populaires
Natexis Banque
Southwest Representative Office
333 Clay Street, Suite 4340
Houston, TX 77002
Attention: Tanya McAllister
Telephone: (713) 759-9401
Facsimile: (713) 571-6165
Electronic Mail: Tanya.mcallister@nyc.nxbp.com

With a copy to:
Natexis Banque
New York Branch
645 5th Avenue, 20th Floor
New York, NY 10022
Attention: Stacey Caruth
Facsimile: (212) 872-5160

Lending Office:
Natexis Banques Populaires
Natexis Banque
Southwest Representative Office
333 Clay Street, Suite 4340
Houston, TX 77002

Exhibit 15.1

May 7, 2004

Comstock Resources, Inc.
5300 Town and Country Boulevard
Suite 500
Frisco, Texas 75034

Shareholders and Board of Directors
Comstock Resources, Inc.

We are aware of the incorporation by reference in the previously filed registration statements (Nos. 33-20981, 33-88962, 333-111237 and 333-112100) of Comstock Resources, Inc. of our report dated May 5, 2004 relating to the unaudited consolidated interim financial statements of Comstock Resources, Inc. that are included in its Form 10-Q for the quarter ended March 31, 2004.

/s/ Ernst & Young LLP

Dallas, Texas

Exhibit 31.1

SECTION 302 CERTIFICATION

I, M. Jay Allison, certify that:

1. I have reviewed this March 31, 2004 Form 10-Q of Comstock Resources, Inc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2004

/s/ M. JAY ALLISON

President and Chief Executive Officer

Exhibit 31.2

SECTION 302 CERTIFICATION

I, Roland O. Burns, certify that:

1. I have reviewed this March 31, 2004 Form 10-Q of Comstock Resources, Inc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2004

/s/ ROLAND O. BURNS

Sr. Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Comstock Resources, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, M. Jay Allison, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ M. JAY ALLISON

M. Jay Allison
Chief Executive Officer
May 7, 2004

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Comstock Resources, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Roland O. Burns, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ ROLAND O. BURNS
- -----------------------
Roland O. Burns
Chief Financial Officer
May 7, 2004