

COMSTOCK RESOURCES INC
Form 10-Q
May 06, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the Quarter Ended March 31, 2014

OR

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

Commission File No. 001-03262

COMSTOCK RESOURCES, INC.

(Exact name of registrant as specified in its charter)

NEVADA 94-1667468
(State or other jurisdiction of (I.R.S. Employer

incorporation or organization) Identification Number)

5300 Town and Country Blvd., Suite 500, Frisco, Texas 75034

(Address of principal executive offices)

Telephone No.: (972) 668-8800

Edgar Filing: COMSTOCK RESOURCES INC - Form 10-Q

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 such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares outstanding of the registrant's common stock, par value \$0.50, as of May 6, 2014 was 47,837,224.

COMSTOCK RESOURCES, INC.

QUARTERLY REPORT

For the Quarter Ended March 31, 2014

INDEX

	Page
PART I. Financial Information	
Item 1. Financial Statements (Unaudited):	
<u>Consolidated Balance Sheets -</u> <u>March 31, 2014 and December 31, 2013</u>	4
<u>Consolidated Statements of Operations -</u> <u>Three Months ended March 31, 2014 and 2013</u>	5
<u>Consolidated Statements of Comprehensive Income (Loss) -</u> <u>Three Months ended March 31, 2014 and 2013</u>	6
<u>Consolidated Statement of Stockholders' Equity</u> <u>Three Months ended March 31, 2014</u>	7
<u>Consolidated Statements of Cash Flows -</u> <u>Three Months ended March 31, 2014 and 2013</u>	8
<u>Notes to Consolidated Financial Statements</u>	9
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	17
<u>Item 3. Quantitative and Qualitative Disclosure About Market Risk</u>	20
<u>Item 4. Controls and Procedures</u>	21
PART II. Other Information	
<u>Item 2: Unregistered Sales of Equity Securities and Use of Proceeds</u>	22
<u>Item 6. Exhibits</u>	22

EX-31.1

EX-31.2

EX-32.1

EX-32.2

EX-101 INSTANCE DOCUMENT

EX-101 SCHEMA DOCUMENT

EX-101 CALCULATION LINKBASE DOCUMENT

EX-101 LABELS LINKBASE DOCUMENT

EX-101 PRESENTATION LINKBASE DOCUMENT

EX-101 DEFINITION LINKBASE DOCUMENT

PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Unaudited)

	March 31, 2014	December 31, 2013
	(In thousands)	
ASSETS		
Cash and Cash Equivalents	\$1,771	\$ 2,967
Accounts Receivable:		
Oil and gas sales	52,802	35,867
Joint interest operations	21,475	15,534
Derivative Financial Instruments	—	970
Deferred Income Taxes	938	—
Other Current Assets	2,352	1,796
Total current assets	79,338	57,134
Property and Equipment:		
Unevaluated oil and gas properties	174,055	134,350
Oil and gas properties, successful efforts method	3,929,744	3,781,313
Other	18,455	18,373
Accumulated depreciation, depletion and amortization	(1,955,979)	(1,867,301)
Net property and equipment	2,166,275	2,066,735
Other Assets	15,325	15,529
	\$2,260,938	\$ 2,139,398
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts Payable	\$112,725	\$ 101,872
Deferred Income Taxes	—	339
Current Taxes Payable	89	1,487
Derivative Financial Instruments	2,679	—
Accrued Liabilities	53,043	91,297
Total current liabilities	168,536	194,995
Long-term Debt	949,140	798,700
Deferred Income Taxes	180,077	177,026
Reserve for Future Abandonment Costs		