
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported) April 16, 2012

Matador Resources Company

(Exact name of registrant as specified in its charter)

Texas
(State or other jurisdiction
of incorporation)

001-35410
(Commission
File Number)

27-4662601
(IRS Employer
Identification No.)

5400 LBJ Freeway, Suite 1500, Dallas, Texas
(Address of principal executive offices)

75240
(Zip Code)

Registrant's telephone number, including area code: (972) 371-5200

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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-

Item 2.02 Results of Operations and Financial Condition.

Matador Resources Company (the “Company”) expects to make presentations concerning its business to potential investors. The materials to be utilized during the presentations (the “Materials”) are furnished as Exhibit 99.1 hereto and incorporated herein by reference. The Materials include information regarding the quarter ended March 31, 2012.

The information furnished pursuant to this Item 2.02, including Exhibit 99.1, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and will not be incorporated by reference into any filing under the Securities Act of 1933, as amended (the “Securities Act”), unless specifically identified therein as being incorporated therein by reference.

In the Materials, the Company has included as “non-GAAP financial measures,” as defined in Item 10 of Regulation S-K of the Exchange Act, earnings before interest expense, income taxes, depletion, depreciation and amortization, accretion of asset retirement obligations, property impairments, unrealized derivative gains and losses, non-recurring income and expenses and non-cash stock-based compensation expense, including stock option and grant expense and restricted stock grants (“Adjusted EBITDA”). In the Materials, the Company has provided reconciliations of the non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with generally-accepted accounting principles (“GAAP”) in the United States. In addition, in the Materials the Company has provided the reasons why the Company believes those non-GAAP financial measures provide useful information to the investors.

Item 7.01 Regulation FD Disclosure.

Attached hereto as Exhibit 99.1 are the Materials to be used by the Company in making presentations concerning its business to potential investors.

The information furnished pursuant to this Item 7.01, including Exhibit 99.1, shall not be deemed to be “filed” for the purposes of Section 18 of the Exchange Act and will not be incorporated by reference into any filing under the Securities Act unless specifically identified therein as being incorporated therein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	Presentation Materials.

SIGNATURE

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 hereunto duly authorized.

MATADOR RESOURCES COMPANY

Date: April 16, 2012

By: /s/ Joseph Wm. Foran

Name: Joseph Wm. Foran

Title: Chairman of the Board, President and CEO

Exhibit Index

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	Presentation Materials.



Investor Presentation

April 2012

Forward-Looking Statements

This presentation and statements made by representatives of Matador Resources Company (“Matador” or the “Company”) during the course of this presentation include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. “Forward-looking statements” are statements related to future, not past, events. Forward-looking statements are based on current expectations and include any statement that does not directly relate to a current or historical fact. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as “could,” “believe,” “would,” “anticipate,” “intend,” “estimate,” “expect,” “may,” “should,” “continue,” “plan,” “predict,” “potential,” “project” and similar expressions that are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements involve certain risks and uncertainties and ultimately may not prove to be accurate, including, but not limited to, the following risks related to our financial and operational performance: general economic conditions; our ability to execute our business plan, including the success of our drilling program; changes in oil, natural gas and natural gas liquids prices and the demand for oil, natural gas and natural gas liquids; our ability to replace reserves and efficiently develop our current reserves; our costs of operations, delays and other difficulties related to producing oil, natural gas and natural gas liquids; our ability to make acquisitions on economically acceptable terms; availability of sufficient capital to execute our business plan, including from our future cash flows, increases in our borrowing base and otherwise; weather and environmental conditions; and other important factors which could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. For further discussions of risks and uncertainties, you should refer to Matador’s SEC filings, including the “Risk Factors” section of Matador’s Annual Report on Form 10-K for the year ended December 31, 2011. Matador undertakes no obligation and does not intend to update these forward-looking statements to reflect events or circumstances occurring after the date of this presentation, except as required by law. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. All forward-looking statements are qualified in their entirety by this cautionary statement.

Company Overview

Completed IPO of 14,883,334 shares (12,209,167 primary) including overallotment at \$12.00/share in March 2012

Exchange: Ticker	NYSE: MTDR
Shares Outstanding	55.27 million common shares
Share Price as of April 10, 2012	\$11.10/share
Market Capitalization as of April 10, 2012	\$613.5 million

2012 Guidance Summary

2012 Estimated Capital Spending	\$313 million
2012 Estimated Total Oil Production	1.4 to 1.5 million barrels
2012 Estimated Exit Rate for Oil Production	5,000 to 5,500 barrels per day
2012 Estimated Total Natural Gas Production	12.5 to 13.5 billion cubic feet

Matador History

Predecessor Entities

Foran Oil & Matador Petroleum

- Founded by Joe Foran in 1983
- Foran Oil funded with \$270,000 in contributed capital from 17 friends and family members
- Rolled into Matador Petroleum Corporation in 1988
- Grown primarily through acquire and exploit strategy
- Delivered 21% average annual rate of return over 15 years
- Sold to Tom Brown, Inc.⁽¹⁾ in June 2003 for an enterprise value of \$388 million in an all-cash transaction

Matador Today

Matador Resources Company

- Founded by Joe Foran in 2003
- Attracted start-up capital from long-time shareholders; diverse and unique shareholder group including over 400 friends and neighbors
- Proven management, technical team and Board of Directors
- Grown entirely through drill bit, with focus on unconventional reservoir plays
- Chesapeake transaction and strong science and technical teams enabled the strategic transition to the Eagle Ford play
- Strong growth since 2008 and 2009
 - Daily production has increased over 4x⁽²⁾
 - Proved reserves have increased 9x⁽³⁾
 - Adjusted EBITDA⁽⁴⁾ has more than tripled⁽⁵⁾

(1) Tom Brown purchased by Encana in 2004

(2) Year ended December 31, 2011 compared to year ended December 31, 2008

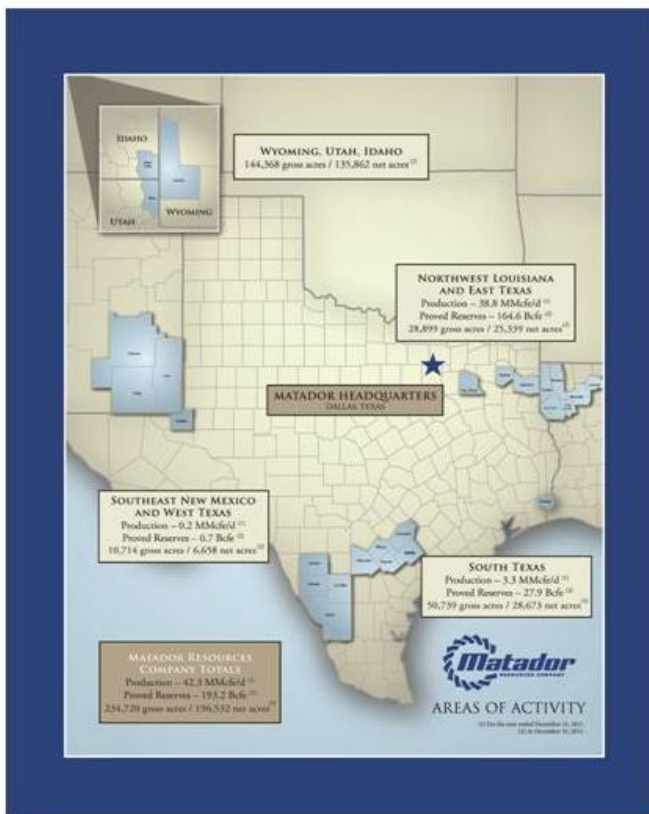
(3) At December 31, 2011 as compared to at December 31, 2008

(4) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to our net income (loss) and net cash provided by operating activities, see slide 25

(5) Year ended December 31, 2011 compared to year ended December 31, 2009



Matador Resources Snapshot



Daily Production⁽¹⁾	54 MMcfe/d
Oil Production (% total)	3,400 Bbl/d (38%)
Proved Reserves @ 12/31/11	193.2 Bcfe
% Proved Developed	33.7%
% Oil	12% (and growing)
2012E CapEx	\$313 million
% Eagle Ford	84%
% Oil and Liquids	94%
2012E Anticipated Drilling	29.5 net wells
Eagle Ford / Austin Chalk	27.6 net wells
Haynesville	1.5 net wells
Gross Acreage⁽²⁾	234,720 acres
Net Acreage⁽²⁾	196,532 acres
Identified Drilling Locations⁽²⁾	793 gross / 308 net
Eagle Ford / Austin Chalk ⁽²⁾	209 gross / 169 net
Haynesville / Cotton Valley ⁽²⁾	584 gross / 139 net

(1) Estimated average daily production for the month of March 2012
 (2) As of December 31, 2011

Investment Highlights

- **Strong Growth Profile with Increasing Focus on Oil / Liquids**
 - Oil production up almost five-fold in 2011 and projected to increase nearly 10x in 2012
 - 94%⁽¹⁾ of 2012E capital expenditure program focused on oil / liquids exploration and development
- **High Quality Asset Base in Attractive Areas**
 - Eagle Ford provides immediate oil-weighted value and upside
 - Other key assets provide long-term option value on natural gas, with Haynesville, Bossier and Cotton Valley assets all essentially HBP
- **Significant Multi-year Drilling Inventory**
 - 169 net drilling locations identified in Eagle Ford (153) and Austin Chalk (16)⁽²⁾
 - 139 net drilling locations identified in Haynesville (103) and Cotton Valley (36)⁽²⁾
- **Strong Financial Position and Long-Term Institutional, Industry and Individual Shareholders**
- **Proven Management, Technical Team and Active Board of Directors**
 - Management averaging over 25 years of industry experience
 - Board with extensive industry experience and expertise as well as significant company ownership
 - Strong record of stewardship for over 28 years
- **Low Cost Operations**
 - LOE for year ended December 31, 2011 was \$0.47 per Mcfe, a 23% reduction since year end 2010
- **Active Exploration Effort Using Science and Technology**
 - Ongoing pipeline of new oil and natural gas opportunities, with strong emphasis on science and technology to create value

(1) Calculated as percent of anticipated CapEx focused on oil weighted Eagle Ford and Austin Chalk drilling and acreage and includes \$20 million to acquire oil prospective acreage in New Mexico and West Texas

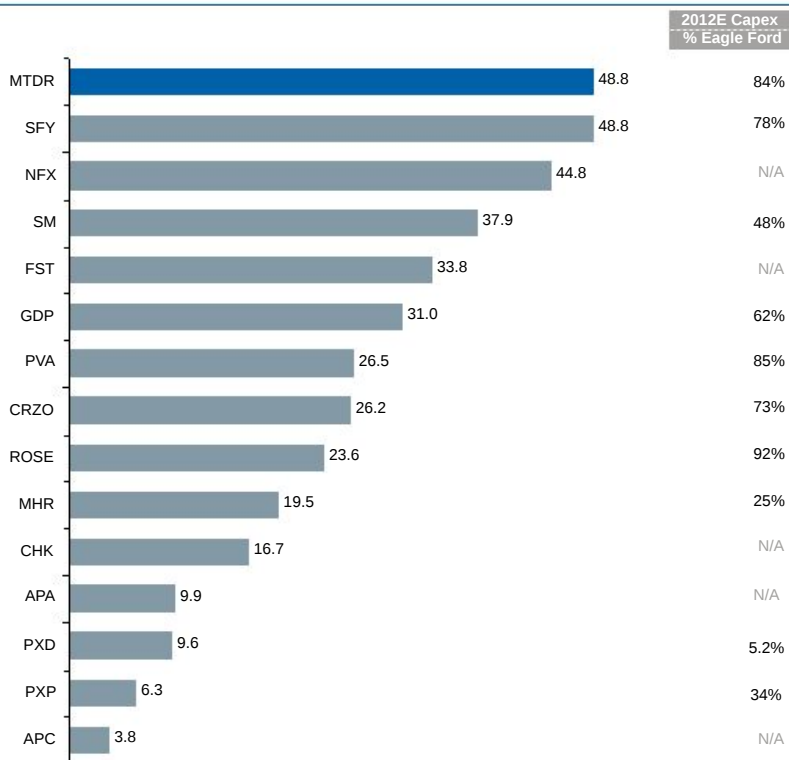
(2) As of December 31, 2011



Leading Eagle Ford Exposure

Leverage to Eagle Ford (Net Eagle Ford Acres / EV) (Net Acres / \$mm)

- Matador offers significant leverage and focus to the Eagle Ford
- Approximately 85% of Eagle Ford acreage is in the prospective oil and liquids window
- All 2012E Eagle Ford drilling focused in the prospective oil and liquids window
- 84% of 2012 estimated CapEx allocated to Eagle Ford
- One rig running in the eastern and one in the western portions of the Eagle Ford play
- Eagle Ford acreage well-positioned throughout the play



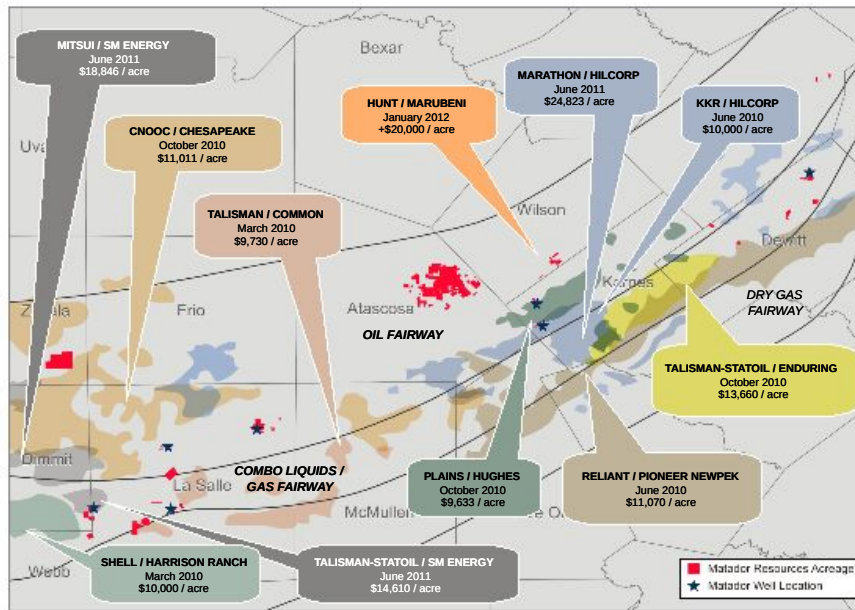
Note: Reflects companies with greater than 50 Bcfe of proved reserves. Data sourced from public filings; stock price data as of 04/10/2012



Eagle Ford Properties are Well Positioned

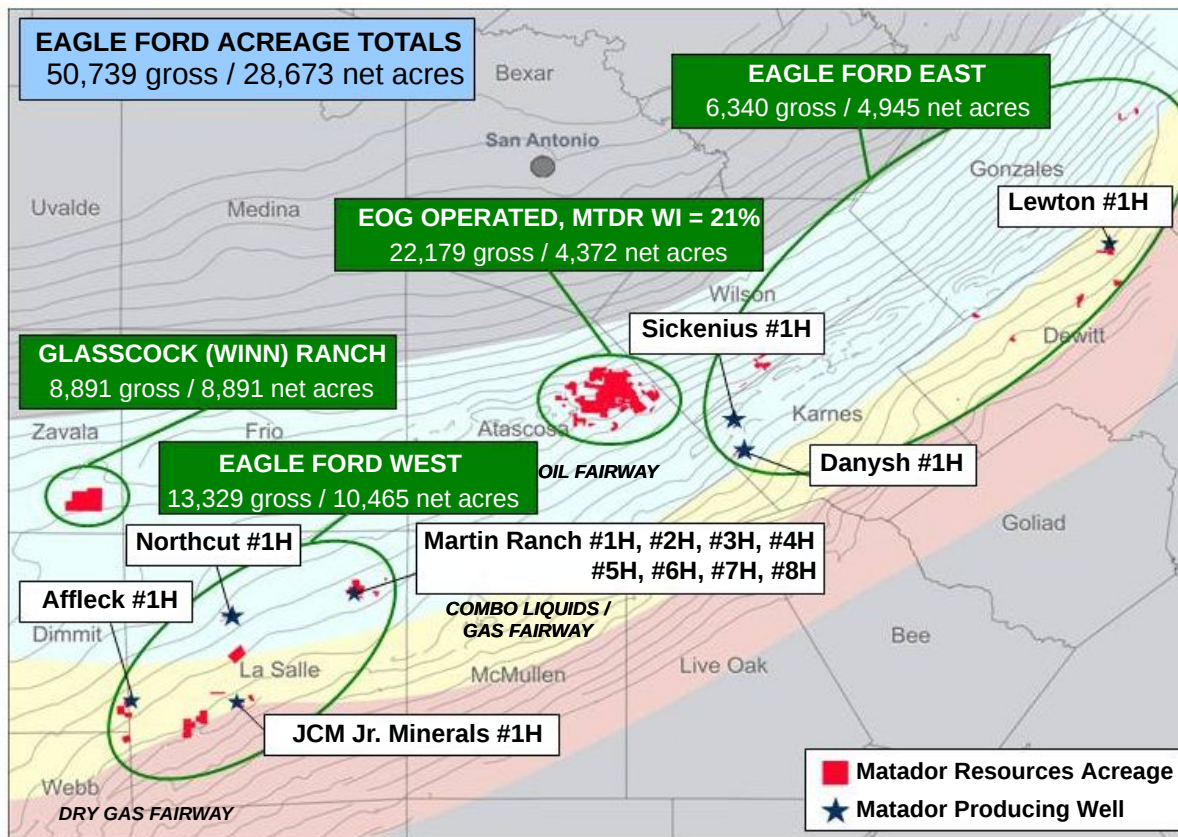
Highlights

- MTDR acreage in counties with robust transaction activity – “good neighborhoods”
- Transaction values ranging from \$10,000 to \$25,000 / acre
- Our Eagle Ford position has grown to almost 30,000 net acres
- Acreage in both the eastern and western areas of the play
- Approximately 85% of acreage in prospective oil and liquids windows
- Acreage offers potential for Austin Chalk, Buda, Olmos, Pearsall and other formations
- Good reputation with land and mineral owners
- 80% of Eagle Ford acreage HBP or not burdened with lease expirations before 2013



Note: Information for precedent transactions based on public filings

Eagle Ford and Austin Chalk Properties



Note: All acreage values are as of December 31, 2011



Eagle Ford and Austin Chalk Overview

Proved Reserves @ 12/31/11	4.7 MMBoe
% Proved Developed	37.9%
% Oil / Liquids	78.1%
Daily Oil Production⁽¹⁾	3,300+ Bbls/d
Gross Acres⁽²⁾	50,739 acres
Net Acres⁽²⁾	28,673 acres
Eagle Ford ⁽²⁾⁽³⁾	28,673 acres
Austin Chalk ⁽²⁾⁽³⁾	14,849 acres
Identified Drilling Locations⁽²⁾	169.1 net
2012E Anticipated Drilling	27.6 net wells
2012E CapEx Budget	\$268.5 million
% HBP or no short term expirations⁽⁴⁾	80%

- Acreage positioned in some of the most active counties for Eagle Ford and Austin Chalk (including "Chalkford")
- Two rigs running, primarily focused on oil and liquids
- 94%⁽⁵⁾ of 2012E capital expenditure program focused on oil / liquids exploration and development
- Drilling locations are based on 120 acre spacing
- Anticipate oil production to constitute approx. 35-40% of total production volume and oil revenues to constitute approx. 75-80% of total oil and natural gas revenues in 2012

(1) Estimated average production for the month of March 2012

(2) As of December 31, 2011

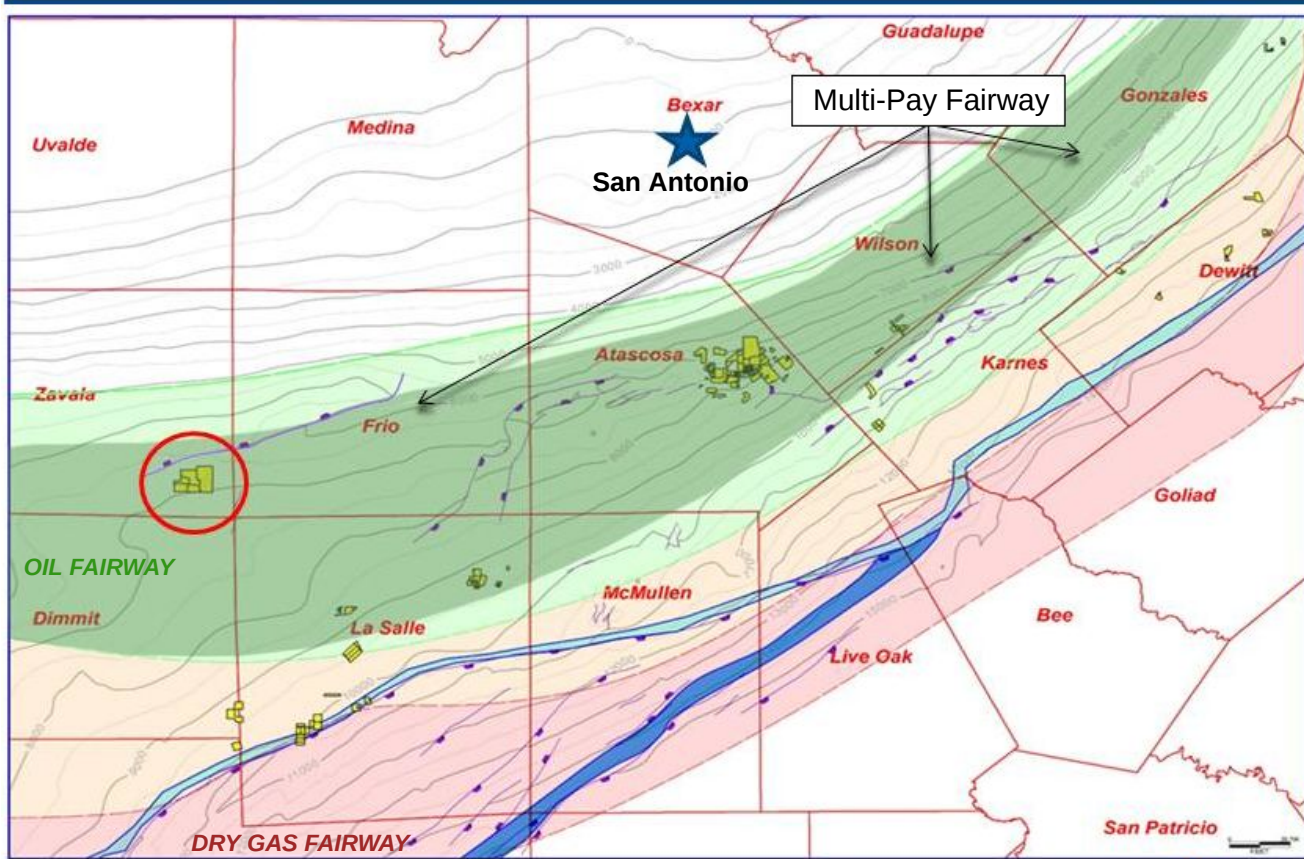
(3) Some of the same leases cover the net acres shown for Eagle Ford & Austin Chalk. Therefore, the sum for both formations is not equal to the total net acreage

(4) 80% of Eagle Ford acreage HBP or not burdened with lease expirations before 2013

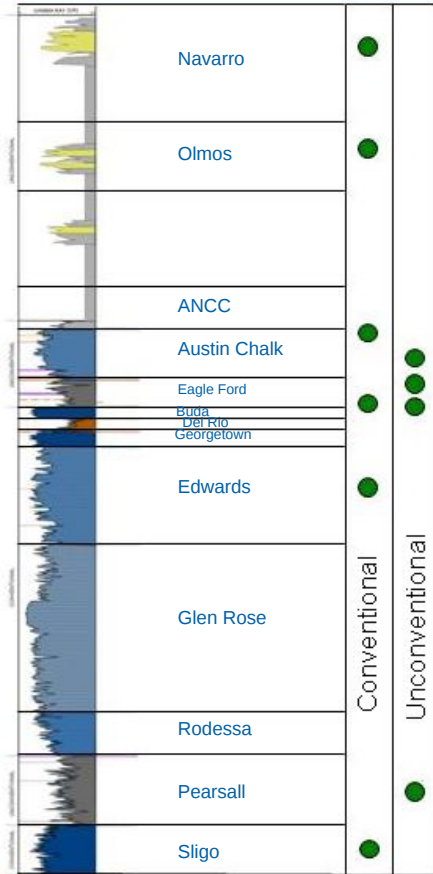
(5) Calculated as percent of anticipated CapEx focused on oil weighted Eagle Ford and Austin Chalk drilling and acreage and includes \$20 million to acquire oil prospective acreage in New Mexico and West Texas



Emerging Multi-Pay Area in Eagle Ford Oil Fairway and MTDR Acreage



Multi-Pay Fairway: Productive and Prospective Pay Zones



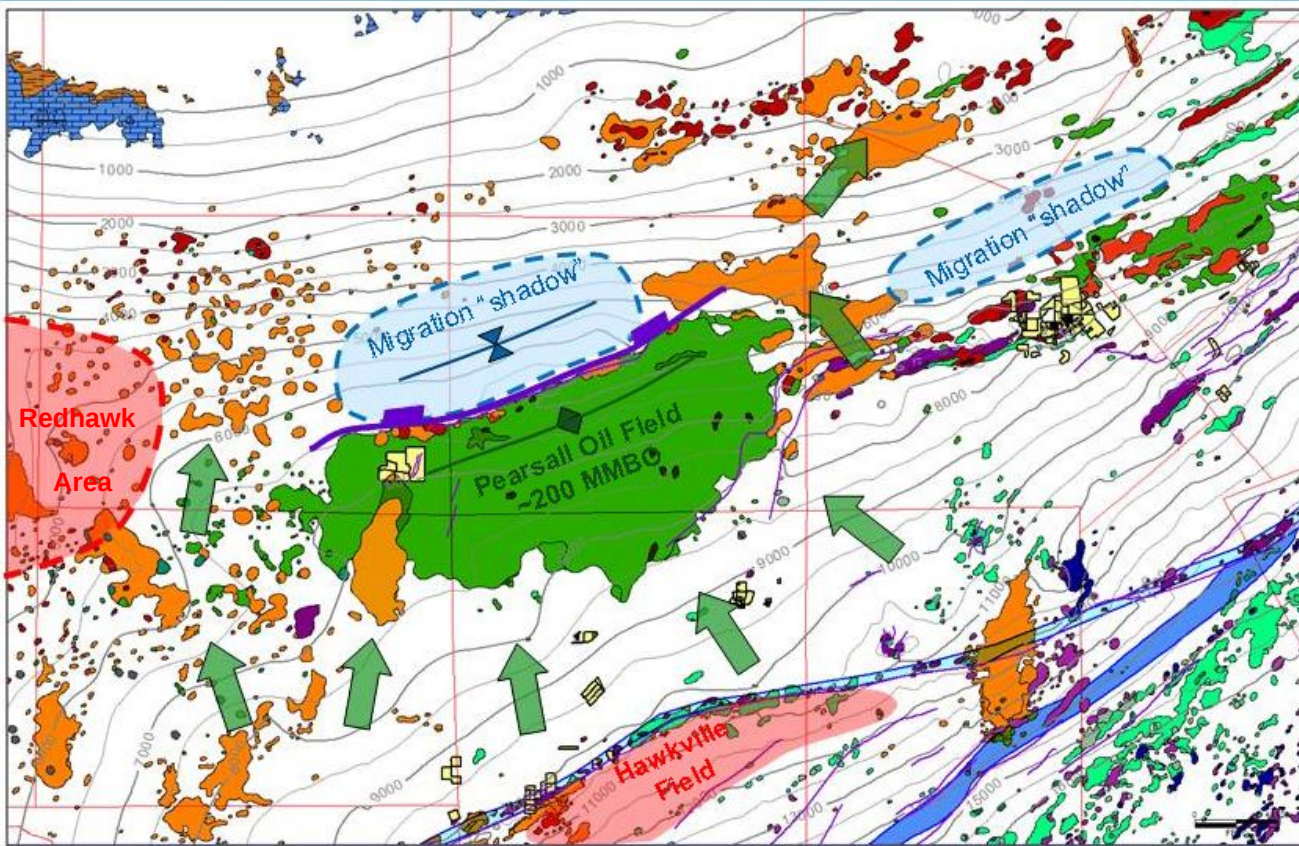
■ Historic Conventional Zones

- Olmos-Navarro
 - Gas and oil fields in shallow section
- Austin
 - Upper Austin horizontal drilling
 - Fractured reservoir
- Buda
 - Primarily productive on structure
 - Fractured reservoir
- Edwards
 - Productive on structure

■ “New” Unconventional Zones

- “Chalkleford” (*Eagle Ford / Austin Chalk transition zone*)
 - Recent results in Pearsall Field from other operators are positive
- Eagle Ford
 - Lower costs combined with better completion techniques have improved initial results in northern oil window
- Horizontal Buda Drilling
 - Exploratory play developing to exploit fracturing within the Buda both on and off structure
- Pearsall Shale
 - Exploratory play, initial test wells now being drilled

South Texas Multi-Pay Petroleum Systems: Petroleum Charge focus towards Glasscock Ranch



Note: Information for Pearsall Oil Field sourced from public information

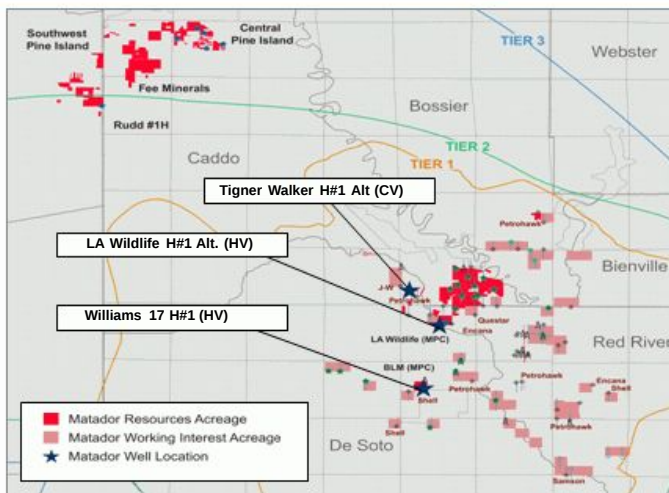
Northwest Louisiana / East Texas Properties Overview

Proved Reserves @ 12/31/11	164.6 Bcfe
% Proved Developed	32.7%
% Natural Gas	99.8%
Daily Production⁽¹⁾	30.8 MMcfe/d
Gross Acres⁽²⁾	28,899 acres
Net Acres⁽²⁾	25,339 acres
Haynesville ⁽²⁾⁽³⁾	14,527 acres
Cotton Valley ⁽²⁾⁽³⁾	23,054 acres
Identified Drilling Locations⁽²⁾	138.9 net wells
2012E Anticipated Drilling	1.5 net wells
2012E CapEx Budget	\$13.5 million
% HBP	Over 90%

(1) Estimated average daily production for the month of March 2012

(2) As of December 31, 2011

(3) Some of the same leases cover the net acres shown for Haynesville and Cotton Valley. Therefore, the sum for both formations is not equal to the total net acreage



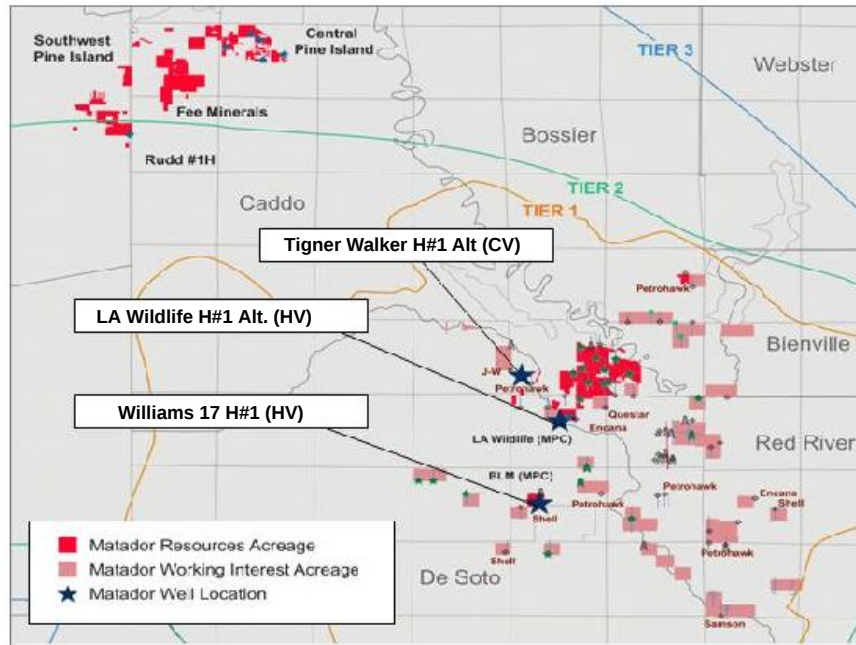
Note: Matador operates two sections, including the LA Wildlife and the BLM sections, in Tier 1; all other acreage in Tier 1 is non-operated

- Participated in 106 operated and non-operated Haynesville wells at December 31, 2011
- Haynesville proved reserves grew from zero at year end 2008 to 164.6 Bcfe at December 31, 2011
- LA Wildlife H#1 and Williams 17 H#1 operated wells produced approximately 3.4 Bcfe (9.3 MMcfe/d) and 1.83 Bcfe (6.7 MMcfe/d) in their first 12 and 9 months, respectively

Haynesville Positioning

Highlights

- Approximately 12,000 gross and 5,500 net acres in Haynesville Tier 1 core area
- Almost all Tier 1 core acreage is HBP, as is over 90% of all prospective Haynesville acreage – provides “natural gas bank” for future development
- MTDR active as both operator and non-operator in Haynesville play
- Approximately 1,700 net acres with Bossier potential
- Haynesville acreage also prospective for shallower targets – Cotton Valley, Hosston – in many areas
- Approximately 10,000 net HBP acres prospective for Cotton Valley Horizontal play at Elm Grove / Caspiana



Note: Matador operates two sections, including the LA Wildlife and the BLM sections, in Tier 1; all other acreage in Tier 1 is non-operated.

Strong Growth Profile Focused on Liquids

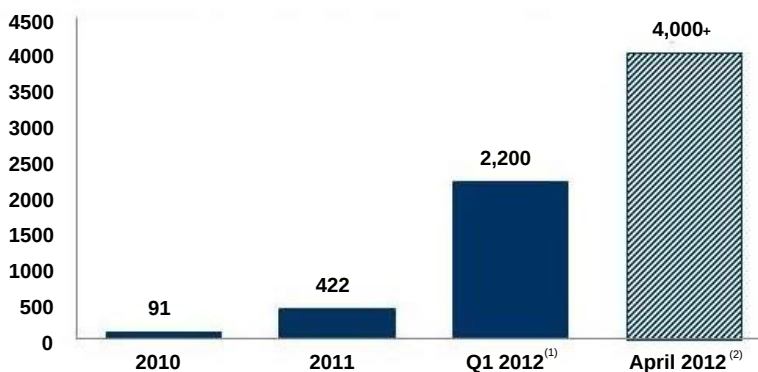
Commentary

- Approximately 88% of 2012E capital budget focused on Eagle Ford (84%) and Austin Chalk (4%)
- Oil production up about five-fold year-over-year at December 31, 2011
- Oil production expected to increase nearly 10x in 2012
- All 2012 Eagle Ford and Austin Chalk drilling locations targeting oil and liquids
- Only 14% of our identified Eagle Ford and 5% of our identified Haynesville locations expected to be drilled in 2012
- Q1 2012 oil production approximately 200,000 barrels
- From April 1, 2012 through April 10, 2012, oil production in excess of 4,000 bbls per day

Liquids Focused CapEx in 2012E

	2012 Anticipated Drilling			2012E CapEx	
	Gross Wells	Net Wells		(in millions)	
	Total	Total	%	Total	%
South Texas					
Eagle Ford	28.0	25.6	86.8%	\$257.2	82.2%
Austin Chalk	2.0	2.0	6.8%	\$11.3	3.6%
Area Total	30.0	27.6	93.6%	\$268.5	85.8%
NW LA / E Texas					
Haynesville	25.0	1.5	5.1%	\$13.5	4.3%
Cotton Valley	-	-	-	-	-
Area Total	25.0	1.5	5.1%	\$13.5	4.3%
SW WY, NE UT, SE ID					
Other	1.0	0.4	1.3%	\$2.5	0.8%
Other	-	-	-	\$28.5	9.1%
Total	56.0	29.5	100.0%	\$313.0	100.0%

Oil Production Growth Over Time (Bbls/d)



(1) First quarter 2012, estimated oil production was approximately 2,200 bbls per day
 (2) From April 1, 2012 through April 10, 2012, estimated oil production in excess of 4,000 bbls per day



Diversified Investor Composition

- Given management's significant equity position, interests are well aligned with public shareholders
- Unique and diverse investor base includes institutional and industry shareholders with significant experience investing in the oil and gas sector
- Most initial capital was provided by investor base of predecessor company, Matador Petroleum Corporation
- 99.2% of shares outside the public float locked-up for 180 days following February 1, 2012



⁽¹⁾ Approximate ownership at the time of the IPO

⁽²⁾ Public Float percentage also includes shares purchased by Management and Legacy Shareholders on or after the IPO

▪ Exploration and Development

- Dedicating approximately 94%⁽¹⁾ of 2012E CapEx to oil and liquids opportunities
- Approximately 80% of Eagle Ford and approximately 90% of Haynesville acreage either HBP or not burdened by near-term lease expirations

▪ Balanced Portfolio

- Growing Eagle Ford contributes to a diversified portfolio mix between oil and natural gas
- Active, ongoing exploration effort continues to identify new oil prospects and opportunities

▪ Pursue Opportunistic Acquisitions

- Ability to identify high return, operated opportunities at attractive prices
- History of significant acquisitions and joint ventures

▪ Maintain Financial Discipline

- Keep balance sheet strong and control expenses
- Work with industry participants to control costs for non-operated properties

▪ Leverage Industry Relationships

- Leverage expertise of our industry partners, exchange data and information and build upon existing relationships
- Continue active participation in industry consortia and professional societies

▪ Build Upon Director and Management Team Experience and Success in Unconventional Plays

⁽¹⁾ Calculated as percent of anticipated capital expenditure focused on oil weighted Eagle Ford and Austin Chalk and includes \$20 million to acquire acreage for oil opportunities in New Mexico and West Texas

Option Value in Large Unevaluated Acreage Positions

Wyoming, Utah and Idaho (Meade Peak Shale)

Matador Today	
Gross Acres ⁽¹⁾⁽²⁾	144,368 acres
Net Acres ⁽¹⁾⁽²⁾	135,862 acres
2012E CapEx Budget	\$2.5 million

- Initial test well drilled and cored through the Meade Peak shale
- Detailed petrophysical and rock properties testing in progress
- Carried participation interest provided by an affiliate of Alliance Bernstein



Southeast New Mexico / West Texas

Matador Today	
Gross Acres ⁽¹⁾⁽³⁾	10,714 acres
Net Acres ⁽¹⁾⁽³⁾	6,658 acres

- Foothold of existing production and reserves
- Budgeted \$20 million in 2012 to acquire acreage in oil-focused opportunities



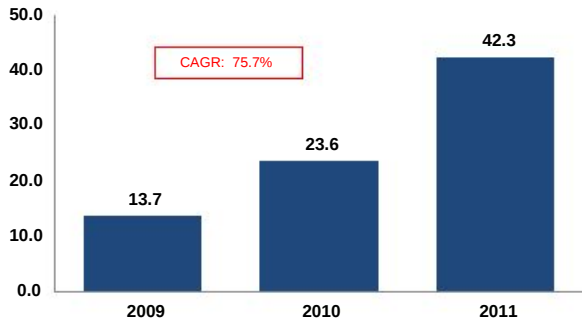
(1) As of December 31, 2011

(2) While we and our partners continue to evaluate the results from the initial test well and plan for its completion and further testing, we expect a significant portion of our acreage will be allowed to expire during 2012

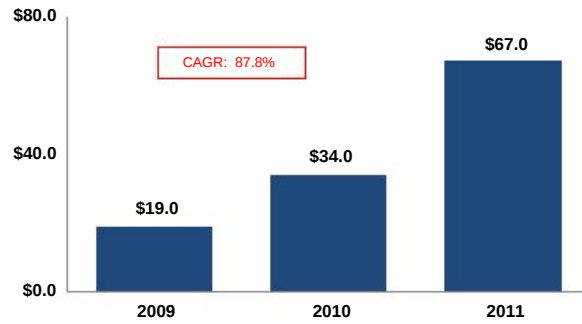
(3) We believe approximately 8,000 gross and 4,000 net acres are no longer prospective, and we plan to let them expire without drilling during 2012

Financial Performance: Proven Management Team

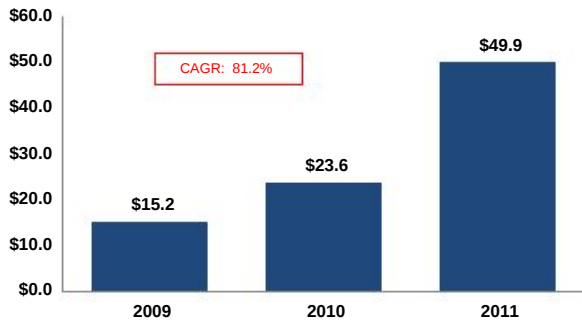
Average Daily Production
(MMcfe/d)



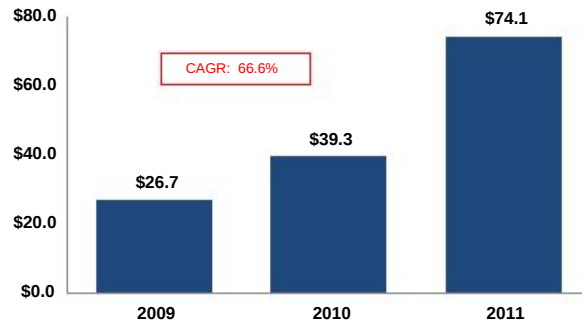
Oil and Natural Gas Revenues
(\$ in mm)



Adjusted EBITDA⁽¹⁾
(\$ in mm)



Total Realized Revenues⁽²⁾
(\$ in mm)



Note: CAGR stands for compounded annual growth rate

(1) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to our net income (loss) and net cash provided by operating activities, see slide 25

(2) Includes realized gain on derivatives



Selected Historical Financials

(Revenues and Adjusted EBITDA in millions)

	Year Ended December 31,		
	2009	2010	2011
Production Summary			
Oil Production (MBbls)	30.0	33.0	154.0
Gas Production (Bcf)	4.8	8.4	14.5
Total Annual Production (Bcfe)	5.0	8.6	15.4
Realized Prices (Including hedges)			
Oil (\$/ Bbl)	\$57.72	\$76.39	\$93.80
Natural Gas (\$/ Mcf)	\$5.17	\$4.38	\$4.11
Revenues			
Oil and Gas Production Revenues	\$19.0	\$34.0	\$67.0
Realized Oil & Gas Hedging Gain / (Loss)	7.6	5.3	7.1
Unrealized Oil & Gas Hedging Gain / (Loss)	(2.4)	3.1	5.1
Total Revenues	\$24.3	\$42.5	\$79.2
Operating Expenses (\$/ Mcfe)			
Lease Operating	\$0.94	\$0.61	\$0.47
Production Taxes and Marketing	0.22	0.23	0.41
General and Administrative	1.42	1.13	0.87
Total Expenses	\$2.58	\$1.97	\$1.75
Adjusted EBITDA ⁽¹⁾	\$15.2	\$23.6	\$49.9

(1) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to our net income (loss) and net cash provided by operating activities, see slide 25



Hedging Profile

Oil Hedges	2012	2013
Total Volume Hedged by Ceiling (Bbl)	1,180,000	1,260,000
Weighted Average Price (\$ / Bbl)	\$109.84	\$110.26
Total Volume Hedged by Floor (Bbl)	1,180,000	1,260,000
Weighted Average Price (\$ / Bbl)	\$90.51	\$87.14

Natural Gas Hedges	2012	2013
Total Volume Hedged by Ceiling (Bcf)	7.20	1.05
Weighted Average Price (\$ / MMBtu)	\$5.78	\$5.75
Total Volume Hedged by Floor (Bcf)	7.20	1.05
Weighted Average Price (\$ / MMBtu)	\$4.44	\$4.50

Financial Flexibility

- Plan to fund 2012 capital budget with a portion of IPO net proceeds, anticipated cash flows from operations and available borrowings under credit facility

- Intend to seek redeterminations of borrowing base as a result of any increases in oil and natural gas proved reserves during the year
 - May, November and one additional redetermination available in 2012
 - Have met with banks to discuss expanding the bank group and to confirm expectations on future borrowing base increases

- Borrowing base of \$125 million, based on February 2012 redetermination
 - 20% of current market capitalization⁽¹⁾
 - Oil production base expected to increase 10x in 2012

- \$30 million in debt outstanding as of April 12, 2012

⁽¹⁾ As of April 10, 2012 close

Investment Highlights

Strong Growth Profile with Increasing Focus on Oil / Liquids

High Quality Asset Base in Attractive Areas

Significant Multi-year Drilling Inventory

Strong Financial Position and Long-Term Institutional, Industry and Individual Shareholders

Proven Management and Technical Team and Active Board of Directors

Low Cost Operations

Active Exploration Effort Using Science and Technology



Appendix



Adjusted EBITDA Reconciliation

The following table presents our calculation of Adjusted EBITDA and reconciliation of Adjusted EBITDA to the GAAP financial measures of net income (loss) and net cash provided by operating activities, respectively.

<i>(In thousands)</i>	Year Ended December 31,			
	2008	2009	2010	2011
Unaudited Adjusted EBITDA reconciliation to Net Income (Loss):				
Net income (loss)	\$103,878	(\$14,425)	\$6,377	(\$10,309)
Interest expense	-	-	3	683
Total income tax provision (benefit)	20,023	(9,925)	3,521	(5,521)
Depletion, depreciation and amortization	12,127	10,743	15,596	31,754
Accretion of asset retirement obligations	92	137	155	209
Full-cost ceiling impairment	22,195	25,244	-	35,673
Unrealized (gain) loss on derivatives	(3,592)	2,375	(3,139)	(5,138)
Stock option and grant expense	605	622	824	2,362
Restricted stock grants	60	34	74	44
Net (gain)/loss on asset sales and inventory impairment	(136,977)	379	224	154
Adjusted EBITDA	\$18,411	\$15,184	\$23,635	\$49,911

<i>(In thousands)</i>	Year Ended December 31,			
	2008	2009	2010	2011
Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by Operating Activities:				
Net cash provided by operating activities	\$25,851	\$1,791	\$27,273	\$61,868
Net change in operating assets and liabilities	(17,888)	15,717	(2,230)	(12,594)
Interest expense	-	-	3	683
Current income tax provision (benefit)	10,448	(2,324)	(1,411)	(46)
Adjusted EBITDA	\$18,411	\$15,184	\$23,635	\$49,911

We believe Adjusted EBITDA helps us evaluate our operating performance and compare our results of operation from period to period without regard to our financing methods or capital structure. We define Adjusted EBITDA as earnings before interest expense, income taxes, depletion, depreciation and amortization, accretion of asset retirement obligations, property impairments, unrealized derivative gains and losses, non-recurring income and expenses and non-cash stock-based compensation expense, including stock option and grant expense and restricted stock grants. Adjusted EBITDA is not a measure of net income (loss) or cash flows as determined by GAAP. Adjusted EBITDA should not be considered an alternative to, or more meaningful than, net income or cash flows from operating activities as determined in accordance with GAAP or as an indicator of our operating performance or liquidity.

Board of Directors and Special Board Advisors – Expertise and Stewardship

Board Members and Advisors	Professional Experience	Business Expertise
Charles L. Gummer Director	- Former Chairman, President and CEO, Comerica Bank – Texas	Banking
Dr. Stephen A. Holditch Director	- Professor and Former Head of the Department of Petroleum Engineering, Texas A&M University - Founder / President S.A. Holditch & Associates - Past President of Society of Petroleum Engineers	Oil & Gas Operations
David M. Laney Director	- Past Chairman, Amtrak Board of Directors - Former Partner, Jackson Walker LLP	Law
Gregory E. Mitchell Director	- President / CEO, Toot'n Totum Food Stores	Petroleum Retailing
Dr. Steven W. Ohnimus Director	- Retired VP and General Manager, Unocal Indonesia	Oil & Gas Operations
Michael C. Ryan Director	- Partner, Berens Capital Management	International Business and Finance
Margaret B. Shannon Director	- Retired VP and General Counsel, BJ Services Co. - Former Partner, Andrews Kurth LLP	Law and Corporate Governance
Marlan W. Downey Special Board Advisor	- Retired President, ARCO International - Former President, Shell Pecten International - Past President of American Association of Petroleum Geologists	Oil & Gas Exploration
Edward R. Scott, Jr. Special Board Advisor	- Former Chairman, Amarillo Economic Development Corporation - Law Firm of Gibson, Ochsner & Adkins	Law, Accounting and Real Estate Development
W.J. “Jack” Sleeper Special Board Advisor	- Retired President, DeGolyer and MacNaughton (Worldwide Petroleum Consultants)	Oil & Gas Executive Management



Proven Management Team – Experienced Leadership

Management Team	Background and Prior Affiliations	Industry Experience	Matador Experience
Joseph Wm. Foran Founder, Chairman and CEO	- Matador Petroleum Corporation, Foran Oil Company, J Cleo Thompson Jr. and Thompson Petroleum Corp.	31 years	Since Inception
David E. Lancaster EVP, COO and CFO	- Schlumberger, S.A. Holditch & Associates, Inc., Diamond Shamrock	32 years	Since 2003
Matthew V. Hairford EVP, Operations	- Samson, Sonat, Conoco	27 years	Since 2004
Wade I. Massad EVP, Capital Markets	- Cleveland Capital Management, LLC, KeyBanc Capital Markets, RBC Capital Markets	22 years	Since 2010
David F. Nicklin Executive Director, Exploration	- ARCO, Senior Geological Assignments in UK, Angola, Norway and the Middle East	40 years	Since 2007
Scott E. King Co-Founder, VP, Geophysics and New Ventures	- Matador Petroleum Corporation, Enserch, BP, Sohio	28 years	Since Inception
Bradley M. Robinson VP, Reservoir Engineering	- Schlumberger, S.A. Holditch & Associates, Inc., Marathon	34 years	Since Inception
Kathryn L. Wayne Controller and Treasurer	- Matador Petroleum Corporation, Mobil	27 years	Since Inception

