Matador
RESOURCES COMPANY

Year-End and Fourth Quarter 2019 Earnings Release

February 25, 2020 ***NYSE: MTDR***

Disclosure Statements

Safe Harbor Statement – 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," "hypothetical," "forecasted," and similar expressions that are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Such forward-looking statements include, but are not limited to, statements about guidance, projected or forecasted financial and operating results, future liquidity, results in certain basins, objectives, project timing, expectations and intentions, regulatory and governmental actions and other statements that are not historical facts. Actual results and future events could differ materially from those anticipated in such statements, and such forward-looking statements may not prove to be accurate. These forward-looking statements involve certain risks and uncertainties, including, but not limited to, the following risks related to financial and operational performance: general economic conditions; the Company's ability to execute its business plan, including whether Matador's drilling program is successful; changes in oil, natural gas and natural gas liquids prices and the demand for oil, natural gas and natural gas liquids; Matador's ability to replace reserves and efficiently develop current reserves; costs of operations; delays and other difficulties related to producing oil, natural gas and natural gas liquids; delays and other difficulties related to regulatory and governmental approvals and restrictions; Matador's ability to make acquisitions on economically acceptable terms; Matador's ability to integrate acquisitions; availability of sufficient capital to execute Matador's business plan, including from future cash flows, increases in Matador's borrowing base and otherwise; weather and environmental conditions; the operating results of the Company's midstream joint venture's expansion of the Black River cryogenic processing plant, including the timing of the further expansion of such plant; the timing and operating results of the buildout by the Company's midstream joint venture of oil, natural gas and water gathering and transportation systems and the drilling of any additional salt water disposal wells, including in conjunction with the expansion of the midstream joint venture's services and assets into new areas in Eddy County, New Mexico; 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 filings with the Securities and Exchange Commission ("SEC"), including the "Risk Factors" section of Matador's most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q. Matador undertakes no obligation to update these forward-looking statements to reflect events or circumstances occurring after the date of this presentation, except as required by law, including the securities laws of the United States and the rules and regulations of the SEC. 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.

Cautionary Note – The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. Potential resources are not proved, probable or possible reserves. The SEC's guidelines prohibit Matador from including such information in filings with the SEC.

Definitions – Proved oil and natural gas reserves are the estimated quantities of oil and natural gas that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions. Matador's production and proved reserves are reported in two streams: oil and natural gas, including both dry and liquids-rich natural gas. Where Matador produces liquids-rich natural gas, the economic value of the natural gas liquids associated with the natural gas is included in the estimated wellhead natural gas price on those properties where the natural gas liquids are extracted and sold. Estimated ultimate recovery (EUR) is a measure that by its nature is more speculative than estimates of proved reserves prepared in accordance with SEC definitions and guidelines and is accordingly less certain. Type curves, if any, shown in this presentation are used to compare actual well performance to a range of potential production results calculated without regard to economic conditions; actual recoveries may vary from these type curves based on individual well performance and economic conditions.

Highlights for Fourth Quarter 2019

Record Production	•*Oil production of ~42,100 Bbl/d, **up 6%** from ~39,800 Bbl/d in Q3 2019 – **Record Quarter!*** •*Gas production of ~190.0 MMcf/d, **up 6%** from ~179.2 MMcf/d in Q3 2019 – **Record Quarter!*** •*Total production of ~73,700 BOE/d, **up 6%** from ~69,600 BOE/d in Q3 2019 – **Record Quarter!***
Strong Financial Results	•*Adjusted net income(1)(2) of $46.1 million, or $0.39 per diluted common share, **up 22%** from $37.9 million in Q3 2019* •*Adjusted EBITDA(1)(3) of $181.0 million, **up 13%** from $160.8 million in Q3 2019 – **Record Quarter!*** •*Proved Reserves of 252.5 MMBOE at YE 2019, **up 17%** from 215.3 MMBOE at YE 2018*
Improving Capital Efficiency, LOE & G&A	•*D&C costs for horizontal wells turned to sales of $1,110 per lateral foot, **down 27%** from full year 2018* •*Lease operating expenses of $4.43 per BOE, **down 5%** from $4.64 per BOE in Q3 2019* •*G&A expenses of $3.17 per BOE, **~flat** from $3.18 per BOE in Q3 2019*
San Mateo Record Quarter	•*Third-party midstream services revenues of $17.7 million – **Record Quarter!*** •*San Mateo net income (4) of $19.6 million and Adjusted EBITDA (3)(4) of $26.5 million*
Improved Liquidity	•*Received lenders' commitment to affirm borrowing base at $900 million in February 2020* •*Matador has chosen to increase "elected commitment" to $700 million from $500 million in February 2020*
Met or Exceeded 2019 Guidance	•*Increased year-over-year 2019 total production by 27% vs. guidance(5) of 24%* •*Full-year Adjusted EBITDA(3) of $610.8 vs. guidance(5) of $560 to $575 million* •*D/C/E CapEx of $671 million vs. guidance(5) of $640 to $680 million* •*Midstream CapEx of $77 million vs. guidance(5) of $70 to $90 million*

(1) Attributable to Matador Resources Company shareholders.
(2) Adjusted net income (loss) and adjusted earnings (loss) per diluted common share are non-GAAP financial measures. For definitions and a reconciliation of adjusted net income (loss) (non-GAAP) and adjusted earnings (loss) per diluted common share (non-GAAP) to net income (loss) (GAAP) and earnings (loss) per diluted common share (GAAP), see Appendix.
(3) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net income (loss) and net cash provided by operating activities, see Appendix.
(4) Based on net income and Adjusted EBITDA for San Mateo Midstream, LLC ("San Mateo I") and San Mateo Midstream II, LLC ("San Mateo II," and, together with San Mateo I, "San Mateo").
(5) As updated on October 29, 2019.

Selected Operating and Financial Results

	Three Months Ended			Year Ended		
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2017
Net Production Volumes:[1]						
Oil (MBbl)	3,872	3,659	3,080	13,984	11,141	7,851
Natural gas (Bcf)	17.5	16.5	12.2	61.1	47.3	38.2
Total oil equivalent (MBOE)	6,785	6,407	5,109	24,164	19,026	14,212
Average Daily Production Volumes:[1]						
Oil (Bbl/d)	42,087	39,776	33,479	38,312	30,524	21,510
Natural gas (MMcf/d)	190.0	179.2	132.3	167.4	129.6	104.6
Total oil equivalent (BOE/d)	73,749	69,645	55,536	66,203	52,128	38,936
Average Sales Prices:						
Oil, without realized derivatives, $/Bbl	$ 56.36	$ 54.19	$ 49.09	$ 54.34	$ 57.04	$ 49.28
Oil, with realized derivatives, $/Bbl	$ 56.78	$ 54.97	$ 50.75	$ 54.98	$ 57.38	$ 48.81
Natural gas, without realized derivatives, $/Mcf	$ 2.31	$ 1.88	$ 3.47	$ 2.17	$ 3.49	$ 3.72
Natural gas, with realized derivatives, $/Mcf	$ 2.31	$ 1.91	$ 3.35	$ 2.18	$ 3.46	$ 3.70
Revenues (millions):						
Oil and natural gas revenues	$ 258.6	$ 229.4	$ 193.5	$ 892.3	$ 800.7	$ 528.7
Third-party midstream services revenues	$ 17.7	$ 15.3	$ 8.6	$ 59.1	$ 21.9	$ 10.2
Realized gain (loss) on derivatives	$ 1.7	$ 3.3	$ 3.7	$ 9.5	$ 2.3	$ (4.3)
Operating Expenses (per BOE):						
Production taxes, transportation and processing	$ 3.88	$ 3.86	$ 3.53	$ 3.82	$ 4.00	$ 4.10
Lease operating	$ 4.43	$ 4.64	$ 4.56	$ 4.85	$ 4.89	$ 4.74
Plant and other midstream services operating	$ 1.51	$ 1.38	$ 1.45	$ 1.52	$ 1.29	$ 0.92
Depletion, depreciation and amortization	$ 14.89	$ 14.44	$ 14.19	$ 14.51	$ 13.94	$ 12.49
General and administrative[2]	$ 3.17	$ 3.18	$ 2.66	$ 3.31	$ 3.64	$ 4.65
Total[3]	$ 27.88	$ 27.50	$ 26.39	$ 28.01	$ 27.76	$ 26.90
Other (millions):						
Net sales of purchased natural gas[4]	$ 0.7	$ 3.3	$ 0.4	$ 5.4	$ 0.4	$ -
Lease bonus - mineral acreage	$ -	$ 1.7	$ 2.5	$ 1.7	$ 2.5	$ -
Total	$ 0.7	$ 5.0	$ 2.9	$ 7.1	$ 2.9	$ -
Net income (millions)[5]	$ 24.0	$ 44.0	$ 136.7	$ 87.8	$ 274.2	$ 125.9
Earnings per common share (diluted)[5]	$ 0.21	$ 0.38	$ 1.17	$ 0.75	$ 2.41	$ 1.23
Adjusted net income (millions)[5][6]	$ 46.1	$ 37.9	$ 43.0	$ 140.6	$ 184.0	$ 73.4
Adjusted earnings per common share (diluted)[5][7]	$ 0.39	$ 0.32	$ 0.37	$ 1.20	$ 1.62	$ 0.72
Adjusted EBITDA (millions)[5][8]	$ 181.0	$ 160.8	$ 143.2	$ 610.8	$ 553.2	$ 336.1
San Mateo net income (millions)	$ 19.6	$ 20.0	$ 15.1	$ 71.9	$ 52.2	$ 26.4
San Mateo Adjusted EBITDA (millions)[8]	$ 26.5	$ 26.3	$ 19.1	$ 96.3	$ 62.0	$ 30.9
Net Debt / LTM Adjusted EBITDA[5][8][9]	2.3x	2.4x	2.0x	2.3x	2.0x	1.4x

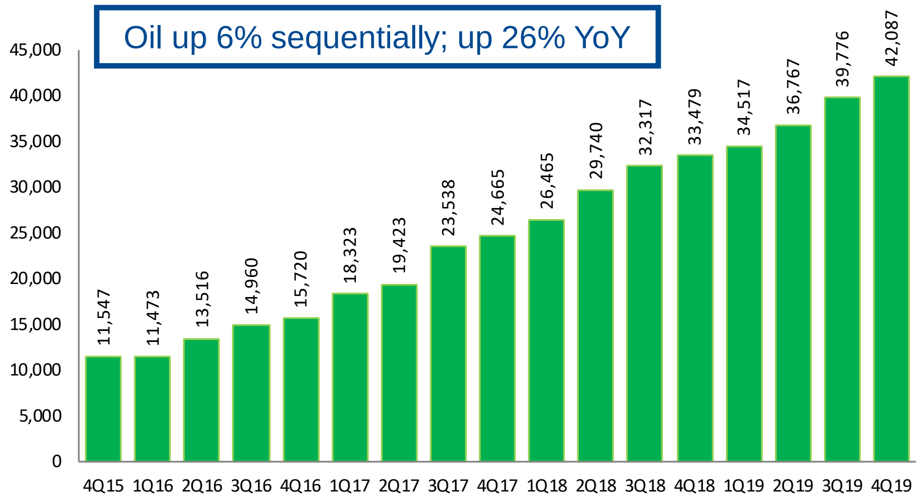
(1) Production volumes reported in two streams: oil and natural gas, including both dry and liquids-rich natural gas.
(2) Includes approximately $0.70, $0.73, $0.67, $0.76, $0.90 and $1.17 per BOE of non-cash, stock-based compensation expense in the fourth quarter of 2019, the third quarter of 2019, the fourth quarter of 2018 and the years ended December 31, 2019, 2018 and 2017, respectively.
(3) Total does not include the impact of purchased natural gas or immaterial accretion expenses.
(4) Net sales of purchased natural gas refers to residue natural gas and natural gas liquids that are purchased from customers and subsequently resold.
(5) Attributable to Matador Resources Company shareholders.
(6) Adjusted net income is a non-GAAP financial measure. For a definition of adjusted net income and a reconciliation of adjusted net income (non-GAAP) to net income (GAAP), see Appendix.
(7) Adjusted earnings per diluted common share is a non-GAAP financial measure. For a definition of adjusted earnings per diluted common share and a reconciliation of adjusted earnings per diluted common share (non-GAAP) to earnings per diluted common share (GAAP), see Appendix.
(8) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA (non-GAAP) to net income (GAAP) and net cash provided by operating activities (GAAP), see Appendix.
(9) Net Debt is equal to the principal amount of Matador's outstanding senior notes, plus Matador's outstanding revolving credit facility debt, plus Matador's share of San Mateo's outstanding credit facility debt, less available cash (including Matador's share of restricted cash, which is primarily attributable to San Mateo).

Q4 2019 Volumes and Adjusted EBITDA[(1)] At Record Levels

Average Daily Oil Production

(Bbl/d)

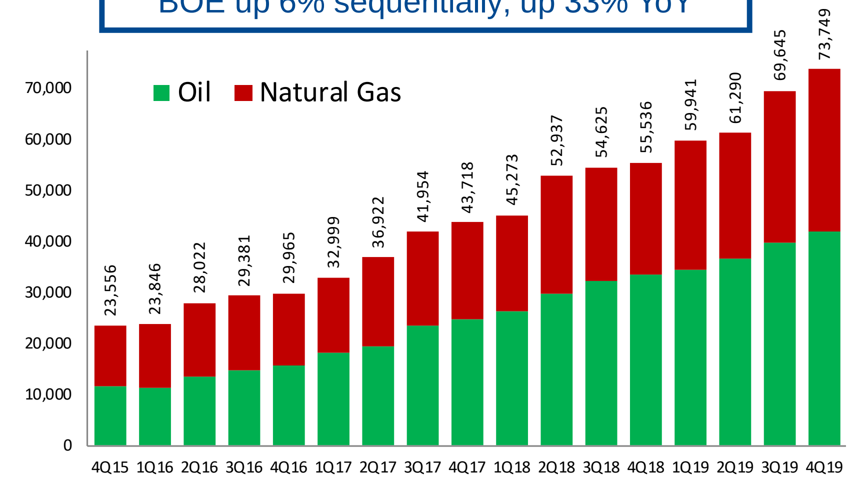
Oil up 6% sequentially; up 26% YoY



Average Daily Total Production

(BOE/d)

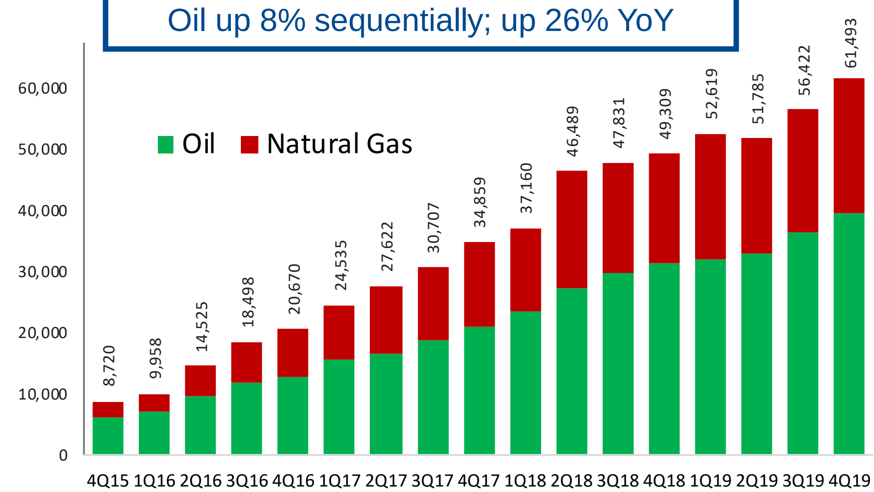
BOE up 6% sequentially; up 33% YoY



Average Daily Total Delaware Production

Delaware Basin (BOE/d)

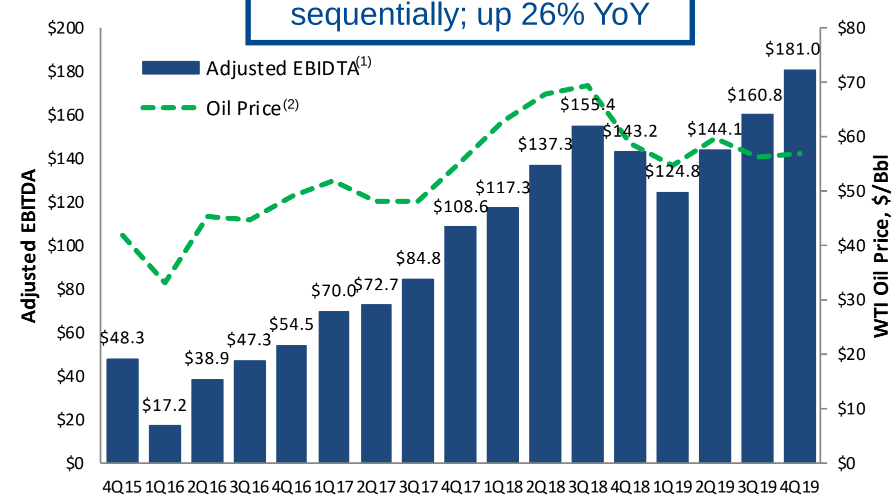
BOE up 9% sequentially; up 25% YoY
Oil up 8% sequentially; up 26% YoY



Adjusted EBITDA[(1)]

(in millions)

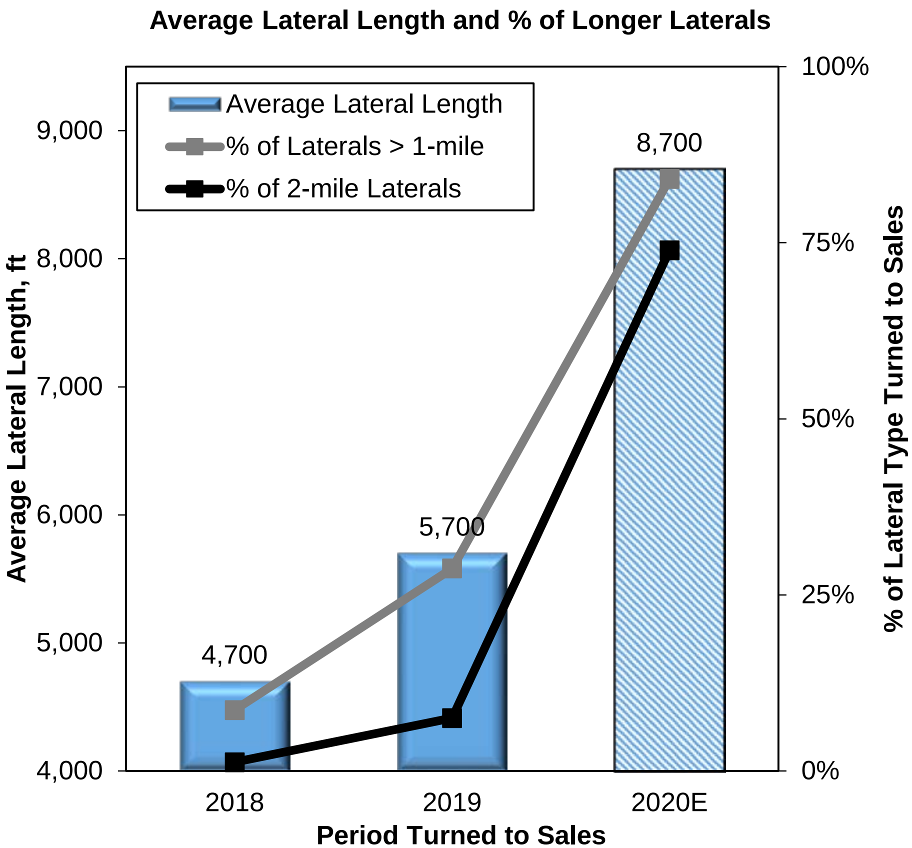
Adjusted EBITDA[(1)] up 13% sequentially; up 26% YoY

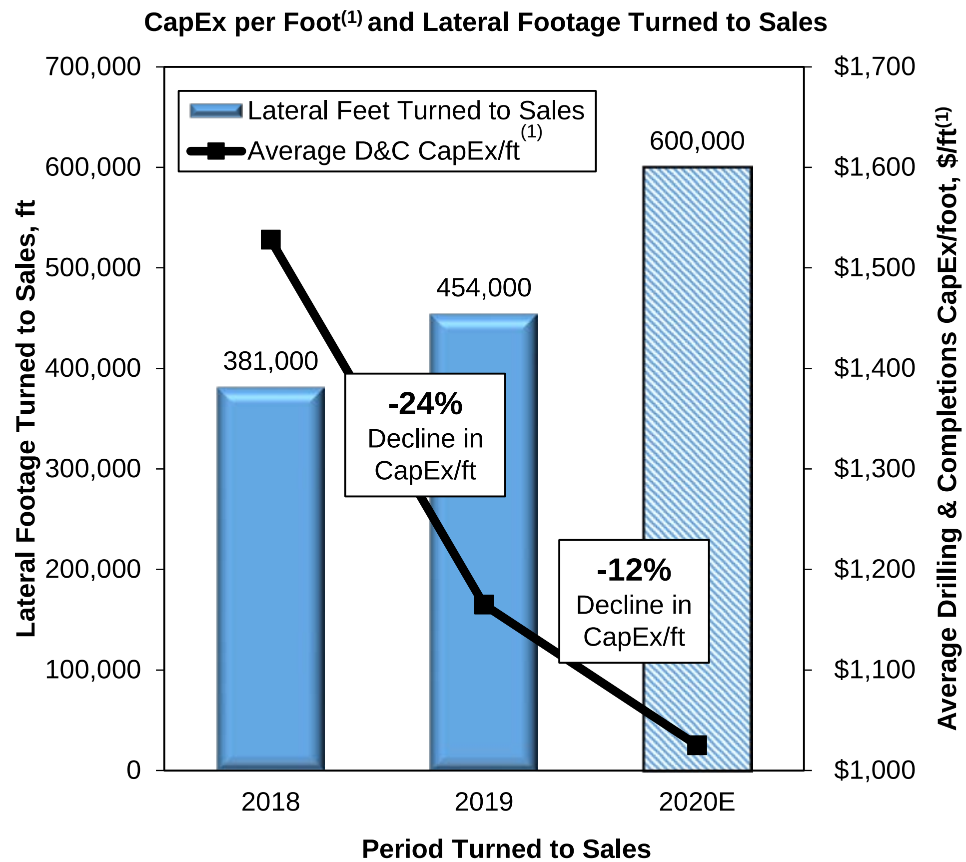


(1) Attributable to Matador Resources Company shrareholders. Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA (non-GAAP) to net income (GAAP) and net cash provided by operating activities (GAAP), see Appendix.

(2) Average settlement price for West Texas Intermediate ("WTI") crude oil for the period.

A Step Change in Capital Efficiency: 2019 Results and 2020 Expectations





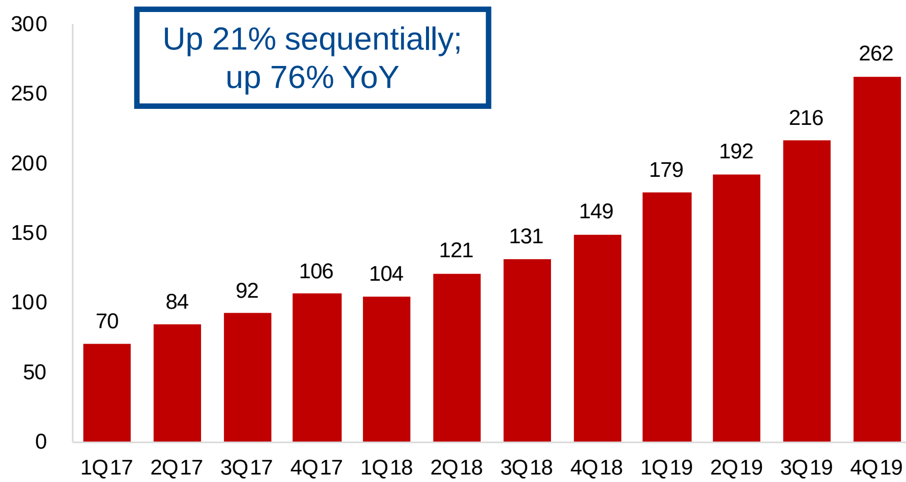
- *By combining longer laterals with increased pad development, Matador expects to significantly reduce development costs per foot between 2018 and 2020*
- *Due to various operational efficiencies and increased usage of regional sand, 2019 D&C CapEx per foot was lower than expected*
- *In 2019, Matador's drilling and completion costs for all horizontal wells turned to sales averaged approximately $1,165/ft, a decrease of ~24% from an average of $1,528/ft achieved in full year 2018*

Note: All footage and percentage of lateral types shown are based on gross operated horizontal wells.
(1) Cost per foot metric shown represents the drilling and completion portion of well costs only. Excludes costs to equip wells, midstream capital expenditures, capitalized G&A or interest expenses and other capital expenditures.

Significant Growth in All Parts of San Mateo's Delaware Midstream Business (51% Owned by Matador)

San Mateo Average Natural Gas Gathering

(MMcf/d)

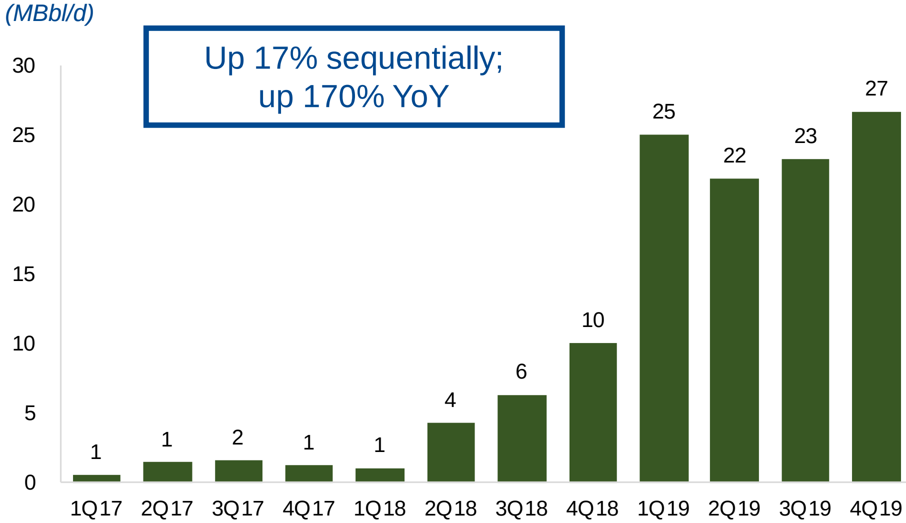


San Mateo Average Water Disposal

(MBbl/d)

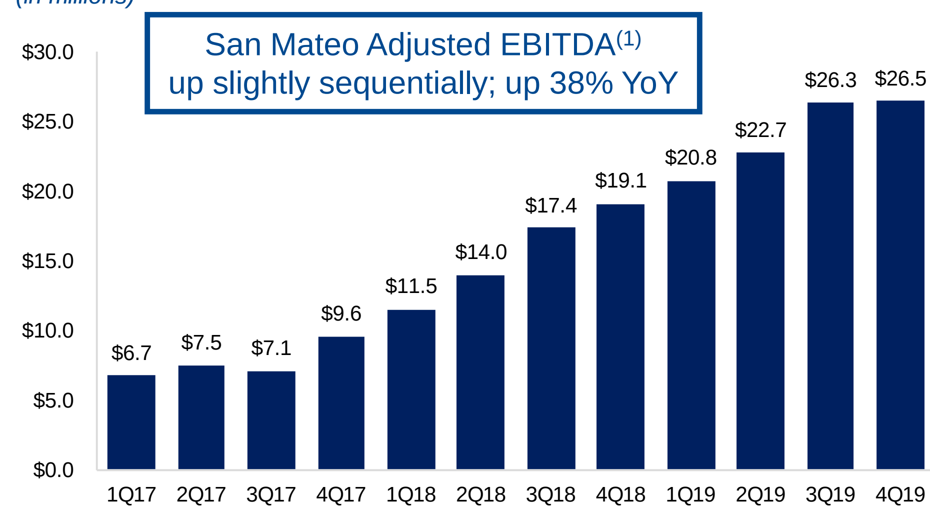
San Mateo Average Oil Gathering

(MBbl/d)



San Mateo Adjusted EBITDA(1)

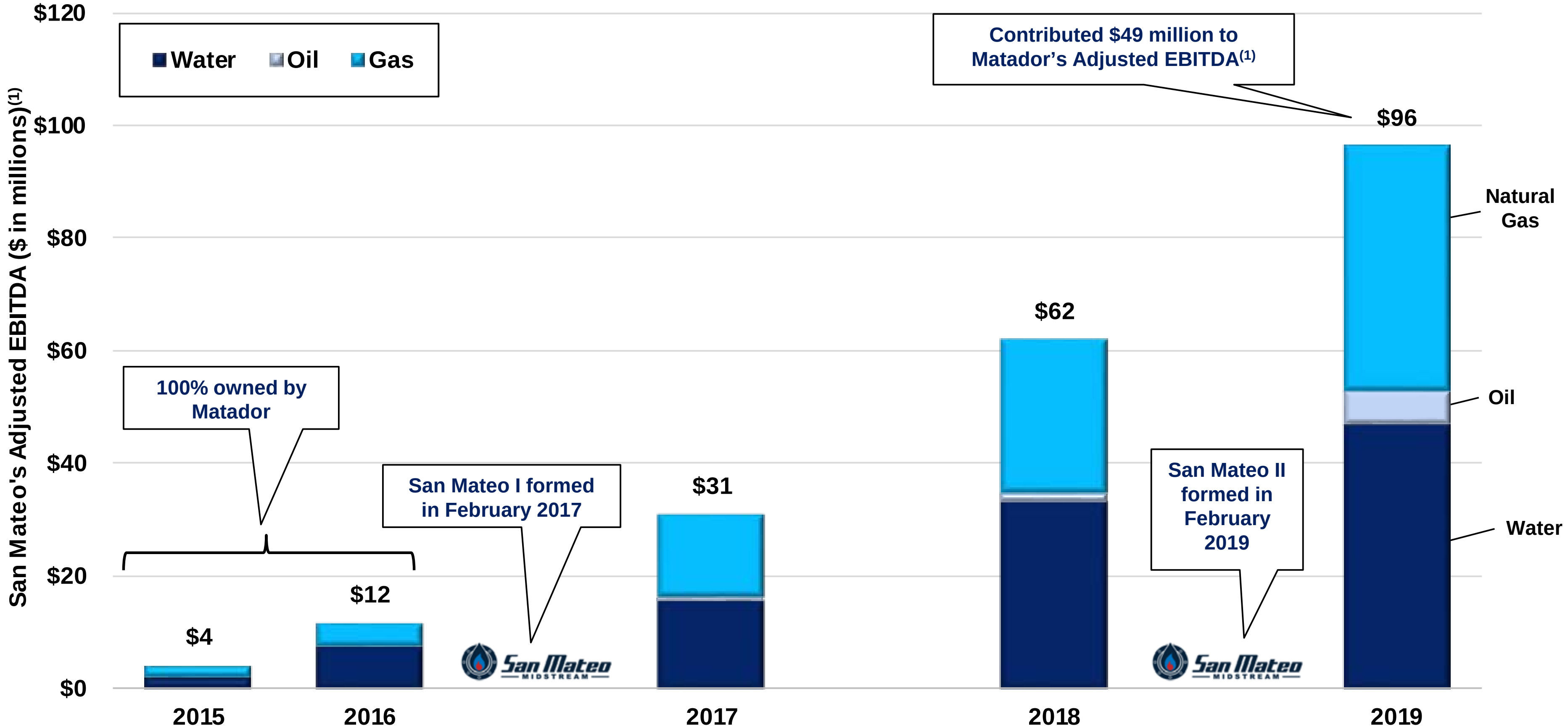
(in millions)



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

San Mateo – Recent Highlights and Performance

- **March 2020** – 10th commercial SWD in Eddy County, NM expected online
  - Expects to have 13 commercial SWDs in Eddy County, NM and Loving County, TX with ~335,000 Bbl/d of designed disposal capacity
- **Late Q3 / Q4 2019** – Operated Black River Processing Plant at >95% of the designed inlet capacity of 260 MMcf/d at certain times as a result of increased throughput from existing natural gas processing customers
- **October 2019** – Expanded credit facility for a second time to $375 million from $325 million (originally entered into $250 million facility in December 2018)
- **February 2019** – Matador entered into second strategic midstream transaction with Five Point to expand San Mateo's operations in the Delaware Basin

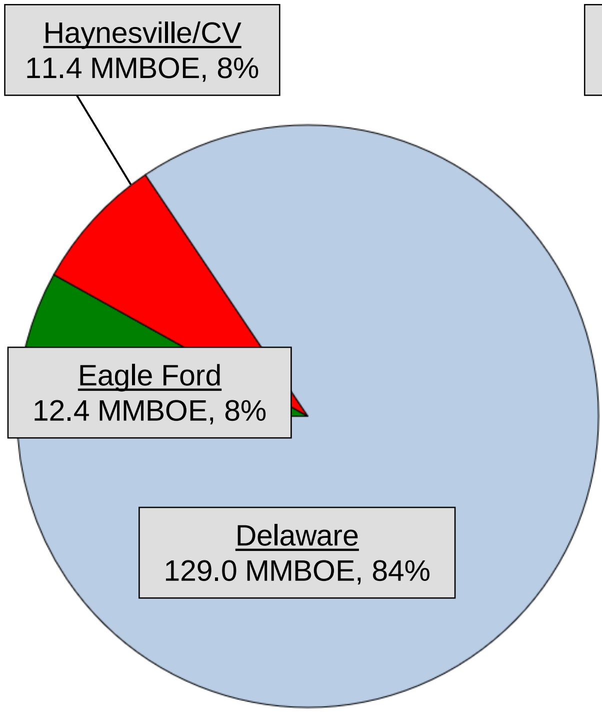


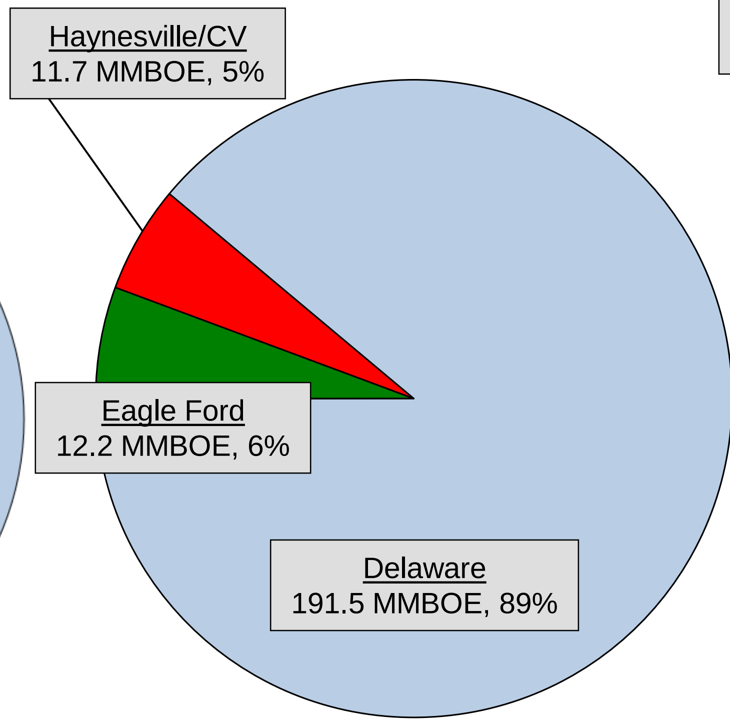
Note: Figures exclude assets sold to EnLink in October 2015. Matador owns 51% of San Mateo.

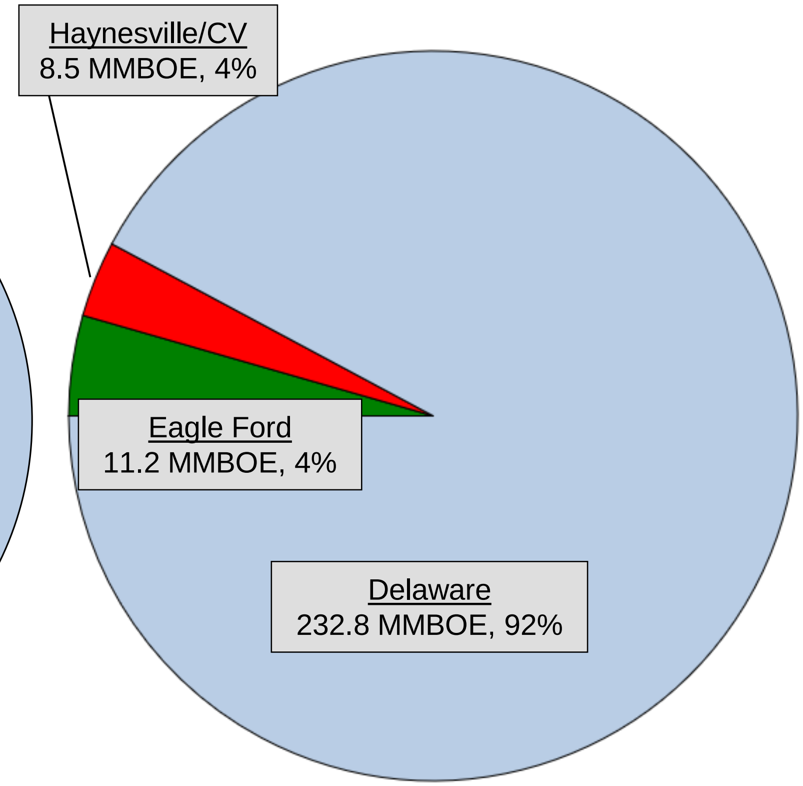
(1) Adjusted EBITDA for San Mateo Midstream, LLC and San Mateo Midstream II, LLC includes allocations for general and administrative expenses. Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to San Mateo's net income and net cash provided by operating activities, see Appendix. Pro forma for February 2017 San Mateo transaction and the purchase of the non-controlling interest in Fulcrum Delaware Water Resources, LLC not previously owned by Matador.

Matador's Proved Reserves ~253 Million BOE at December 31, 2019[1]

Reserves and Oil Production Up 65% Over Last Two Years!







YE 2017[1]

152.8 MMBOE
86.7 million Bbl oil (57% oil)
396 Bcf natural gas
Standardized Measure: $1.26 billion
PV-10[2] = $1.33 billion
$47.79 oil / $2.98 natural gas

YE 2018[1]

215.3 MMBOE
123.4 million Bbl oil (57% oil)
551 Bcf natural gas
Standardized Measure: $2.25 billion
PV-10[2] = $2.58 billion
$62.04 oil / $3.10 natural gas

YE 2019[1]

252.5 MMBOE 17% YoY
148.0 million Bbl oil (59% oil) 20% YoY
627 Bcf natural gas
Standardized Measure: $2.03 billion
PV-10[2] = $2.25 billion
$52.19 oil / $2.58 natural gas

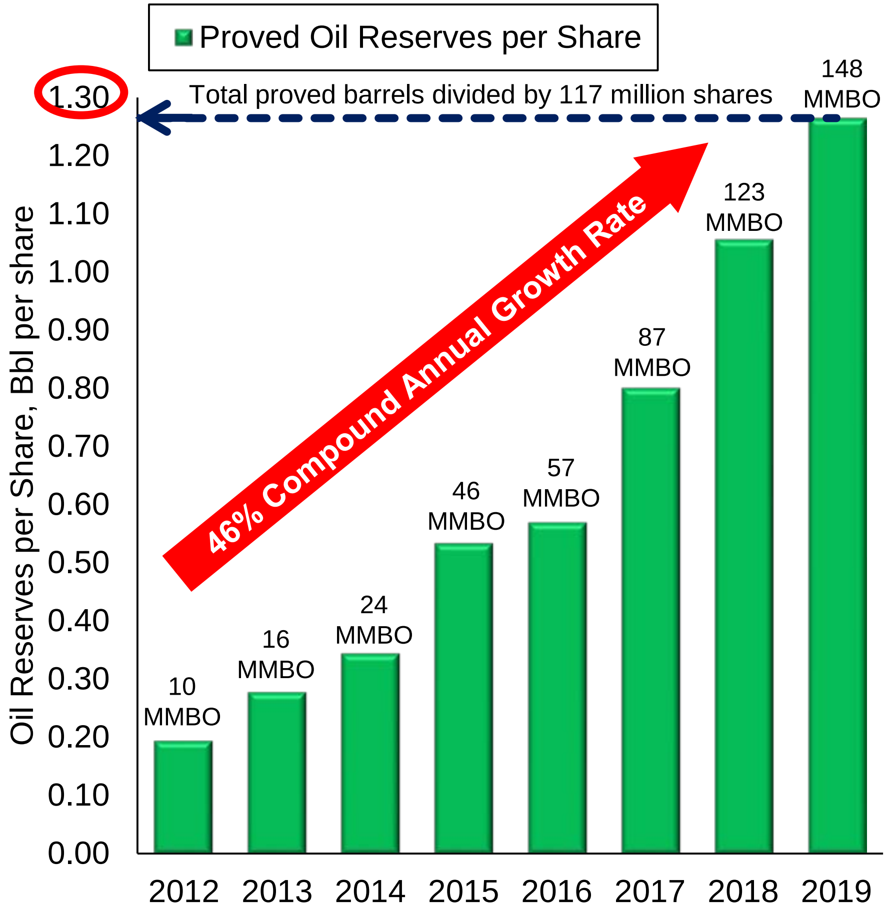
Note: Oil and natural gas prices noted are in $/Bbl and $/MMBtu, respectively. Prices reflect the arithmetic average of first-day-of-month oil and natural gas prices for the periods January 1 to December 31, 2017, 2018 and 2019, respectively, as per SEC guidelines for reserves estimation.

(1) The reserves estimates at all dates presented above were prepared by the Company's internal engineering staff and were also audited by an independent reservoir engineering firm, Netherland, Sewell & Associates, Inc. These reserves estimates at all dates were prepared in accordance with the SEC's rules for oil and natural gas reserves reporting and do not include any unproved reserves classified as probable or possible that might exist on Matador's properties.

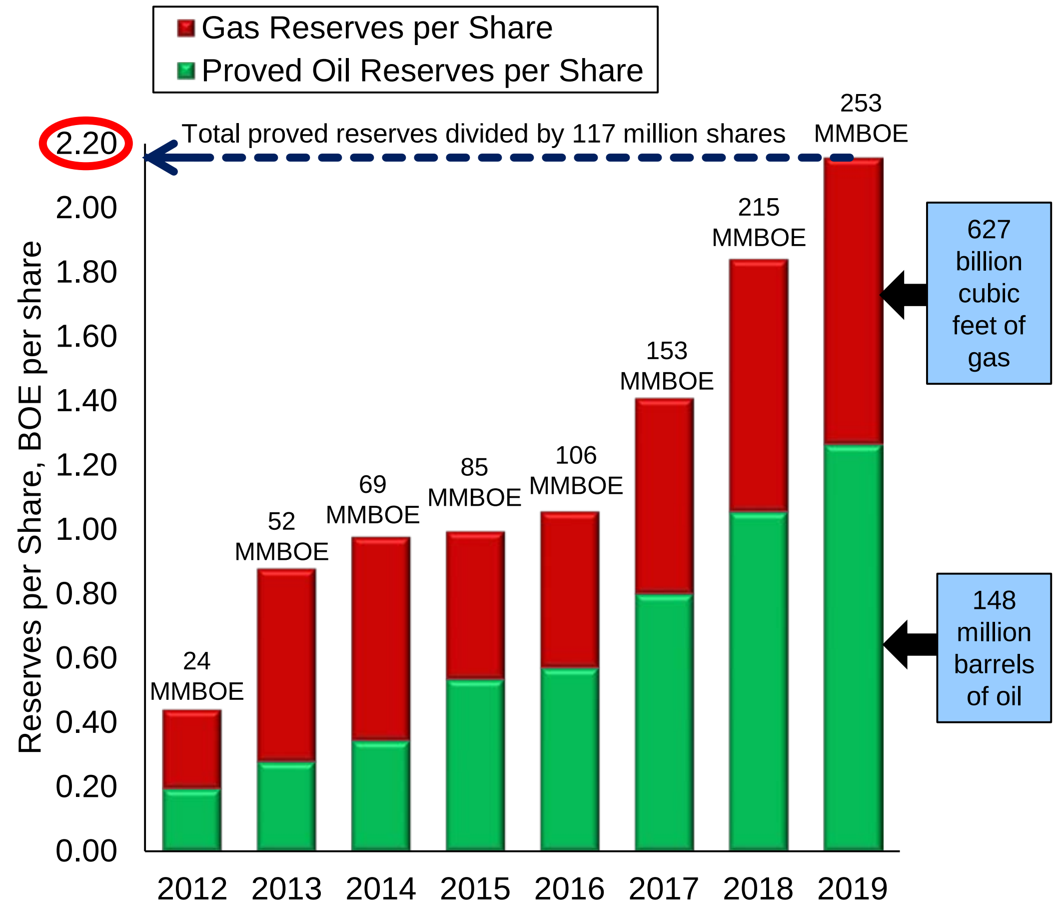
(2) PV-10 is a non-GAAP financial measure. For a reconciliation of PV-10 (non-GAAP) to Standardized Measure (GAAP), see Appendix.

Significant Asset Growth per Share of Matador Stock

- *In addition to **~1.3 Bbl of oil** and **~5.4 Mcf of natural gas** standing behind each share of stock, Matador has **~128,200 net leasehold and mineral acres** in the Delaware Basin and owns 51% of San Mateo, an oil, natural gas and water midstream company with an implied value of **>$1 billion[(1)].***



Note: MMBO = millions of barrels of oil.



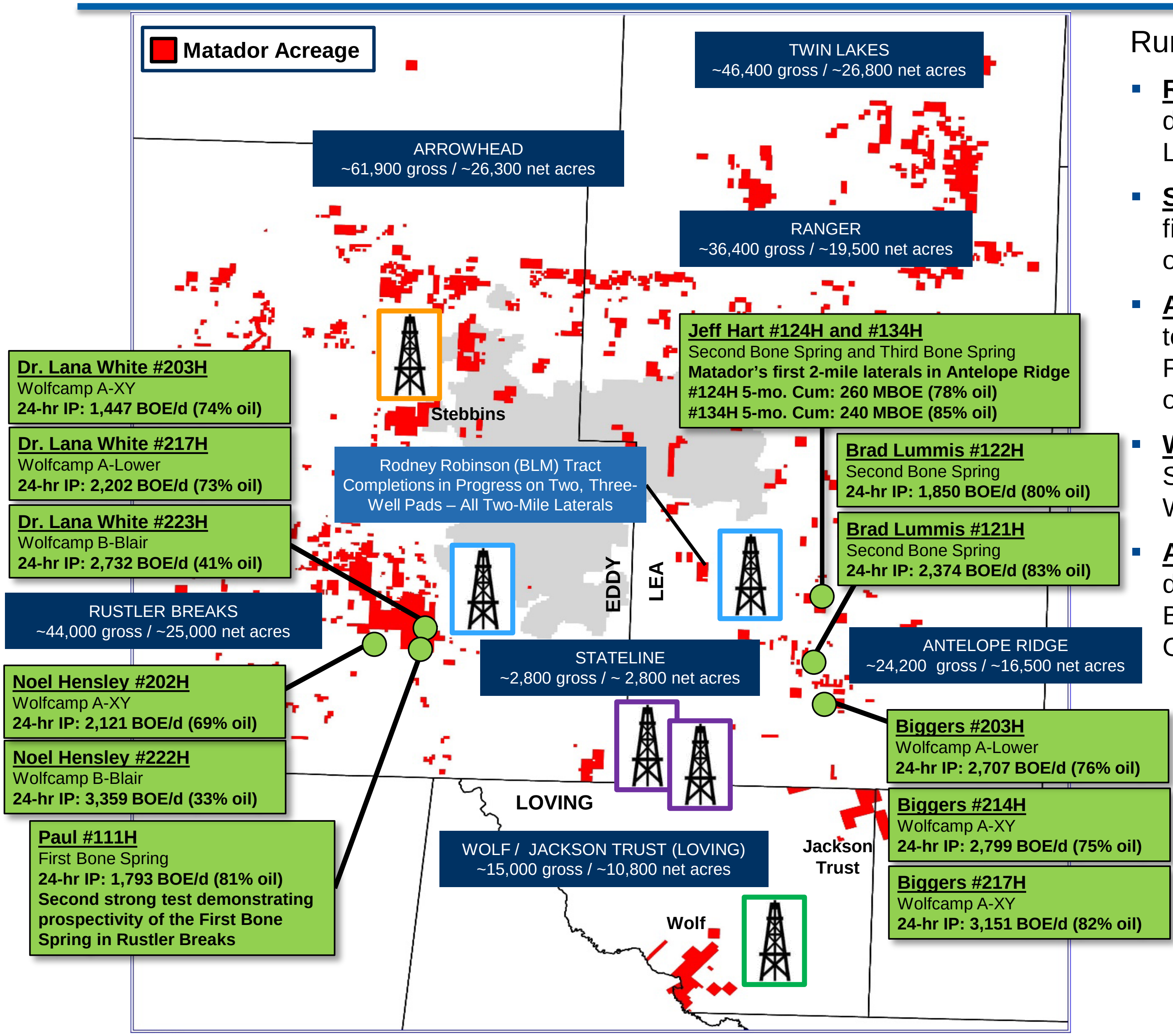
Note: MMBOE = millions of BOE. Gas is converted to oil on the basis of 6 Mcf of gas = 1 barrel of oil equivalent. Mcf of natural gas = thousand cubic feet.

Note: Proved reserves and shares outstanding are as presented in our annual reports on Form 10-K or quarterly reports on Form 10-Q, as applicable.

(1) Assumes an annualized run-rate of Adjusted EBITDA of approximately $100 million and a 10x or greater Adjusted EBITDA multiple. Matador owns 51% of San Mateo.

Matador Resources Company

Delaware Basin – Continuing to Deliver Strong Well Results!



Running six rigs in Delaware Basin

- **Rustler Breaks**: One to two rigs (at times) drilling primarily Wolfcamp A-XY, Wolfcamp A-Lower and Wolfcamp B wells'
- **Stateline**: Two to four rigs (at times) testing five different targets – first wells expected online near the end of Q3 2020
- **Antelope Ridge**: One to two rigs (at times) testing multiple targets – first six Rodney Robinson wells expected online near the end of Q1 2020
- **Wolf/Jackson Trust**: One rig drilling primarily Second Bone Spring, Wolfcamp A-XY and Wolfcamp A-Lower wells
- **Arrowhead/Ranger/Twin Lakes**: One rig drilling primarily Second Bone Spring, Third Bone Spring and Wolfcamp A-XY wells in the Greater Stebbins Area

Moving to longer laterals greater than one mile throughout acreage position

- From 9% in 2018, to 29% in 2019 and up to ~84% planned in 2020 – improved capital efficiency

Note: All acreage as of December 31, 2019. Some tracts not shown on map.

Wells Completed and Turned to Sales – Q4 2019

- **During the fourth quarter of 2019, the Delaware Basin accounted for 44 gross (14.8 net) wells completed and turned to sales, including 16 gross (12.4 net) operated and 28 gross (2.4 net) non-operated wells**

	Operated		Non-Operated		Total		
Asset/Operating Area	Gross	Net	Gross	Net	Gross	Net	Gross Operated Well Completion Intervals
Rustler Breaks	6	3.4	14	1.9	20	5.3	1-1BS, 3-WC A, 2-WC B
Arrowhead	2	1.7	-	-	2	1.7	2-2BS
Ranger	-	-	-	-	-	-	No operated wells turned to sales in Q4 2019
Wolf/Jackson Trust	2	1.6	1	0.0	3	1.6	1-2BS, 1-WC A-XY
Twin Lakes	1	1.0	-	-	1	1.0	1-WC B-Carb
Antelope Ridge	5	4.7	13	0.5	18	5.2	2-1BS, 3-WC A
Delaware Basin	16	12.4	28	2.4	44	14.8	
South Texas	-	-	-	-	-	-	No operated wells turned to sales in Q4 2019
Haynesville Shale	-	-	5	0.0	5	0.0	
Total	**16**	**12.4**	**33**	**2.4**	**49**	**14.8**	

Note: WC = Wolfcamp; BS = Bone Spring. For example, 2-2BS indicates two Second Bone Spring completions and 2-WC B indicates two Wolfcamp B completions. Any "0.0" values in the table above suggest a net working interest of less than 5%, which does not round to 0.1.

Wells Completed and Turned to Sales – Full Year 2019

- **During the full year of 2019, Matador completed and turned to sales 172 gross (75.3 net) wells, which was an increase of 6.1 net wells, including 6.4 net additional operated wells, as compared to its original estimates as provided on February 26, 2019.**
- **The Delaware Basin accounted for 138 gross (65.7 net) wells completed and turned to sales, including 76 gross (61.4 net) operated and 62 gross (4.3 net) non-operated wells.**

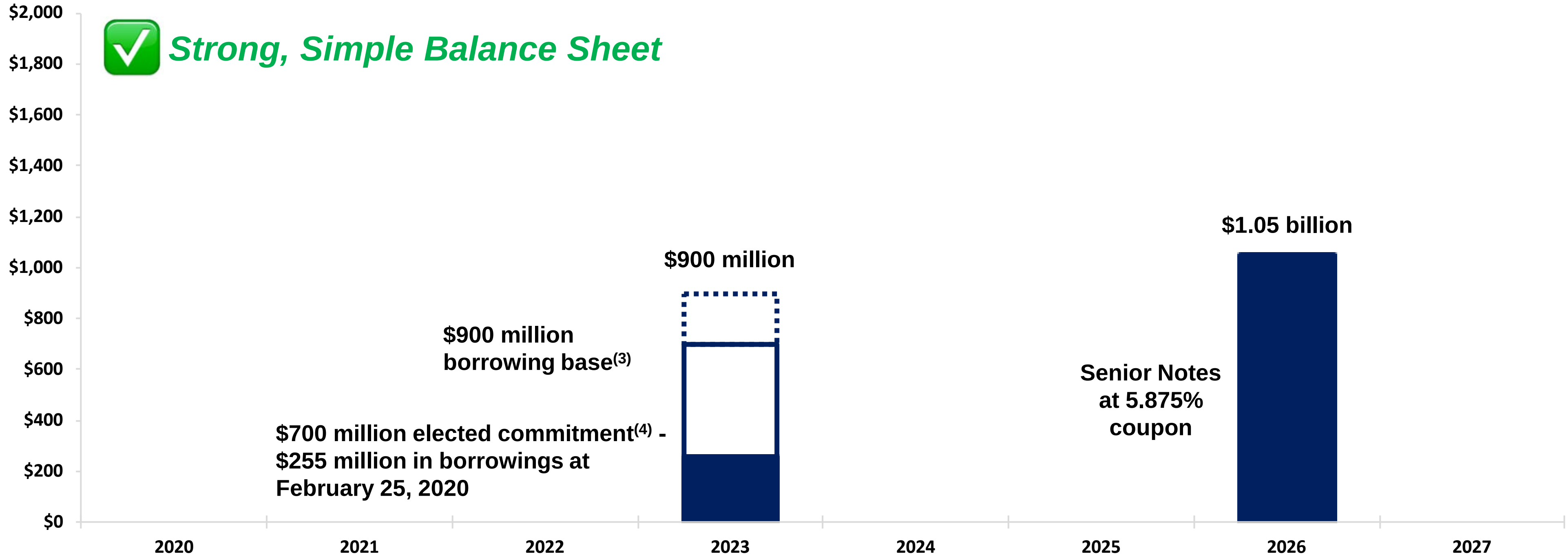
	Operated		Non-Operated		Total		
Asset/Operating Area	Gross	Net	Gross	Net	Gross	Net	Gross Operated Well Completion Intervals
Rustler Breaks	19	14.4	30	3.3	49	17.7	1-BYCN, 2-1BS, 10-WC A, 6-WC B
Arrowhead	8	5.8	1	0.0	9	5.8	5-2BS, 1-3BS, 2-WC A
Ranger	7	5.2	4	0.3	11	5.5	1-1BS, 2-2BS, 3-3BS, 1-WC A
Wolf/Jackson Trust	10	7.8	1	0.0	11	7.8	2-2BS, 7-WC A, 1-WC B
Twin Lakes	2	2.0	-	-	2	2.0	1-WC B-Carb, 1-Morrow
Antelope Ridge	30	26.2	26	0.7	56	26.9	1-BYCN, 5-1BS, 2-2BS, 12-WC A, 10-WC B
Delaware Basin	76	61.4	62	4.3	138	65.7	
South Texas	8	7.9	-	-	8	7.9	
Haynesville Shale	-	-	26	1.7	26	1.7	
Total	**84**	**69.3**	**88**	**6.0**	**172**	**75.3**	

Note: WC = Wolfcamp; BS = Bone Spring; BYCN = Brushy Canyon. For example, 2-2BS indicates one Second Bone Spring completion and 3-WC A indicates five Wolfcamp A completions. Any “0.0” values in the table above suggest a net working interest of less than 5%, which does not round to 0.1.

Strong, Simple Financial Position and Significant Liquidity

- **Strong, supportive bank group led by Royal Bank of Canada**
- **Received lenders' commitment to affirm borrowing base at $900 million in February 2020 based on December 31, 2019 reserves review**
  - *Matador has chosen to increase "elected borrowing commitment" to $700 million from $500 million – expected close by February 28, 2020*
- **$255 million in borrowings outstanding at December 31, 2019 and February 25, 2020**
  - *$46.1 million in outstanding letters of credit at December 31, 2019 and $46.0 million outstanding at February 25, 2020*
- **Financial covenants**
  - *Maximum Net Debt to Adjusted EBITDA[(1)(2)] Ratio of not more than 4.00:1.00*

Debt Maturities ($ in millions)



(1) Adjusted EBITDA is a non-GAAP financial measure. For purposes of the revolving credit facility, Adjusted EBITDA excludes amounts attributable to San Mateo.
(2) For purposes of the Credit Agreement, Net Debt is equal to debt outstanding less available cash not exceeding $50 million and excluding all cash associated with San Mateo.
(3) Borrowing capacity of $599 million at February 25, 2020 after accounting for $46 million in outstanding letters of credit.
(4) As part of the spring 2020 redetermination process, Matador has chosen to increase its elected commitment from $500 million to $700 million. The Company expects the spring 2020 redetermination process to close by February 28, 2020.

Reserves-Based Credit Agreement
Expanding "Elected Commitment" to $700 million

- **Strong, supportive bank group led by Royal Bank of Canada**
- **Facility size of $1.5 billion; matures in October 2023**
- **Received lenders' commitment to affirm borrowing base at $900 million in February 2020 based on December 31, 2019 reserves review**
  - *Matador has chosen to increase "elected borrowing commitment" to $700 million from $500 million and is adding two new lenders to its commercial bank group*
- **$255 million in borrowings outstanding at December 31, 2019 and February 15, 2020**
  - *$46.1 million in outstanding letters of credit at December 31, 2019 and $46.0 million outstanding at February 25, 2020*
- **Financial Covenant:**
  - *Maximum Net Debt to Adjusted EBITDA(1)(2) Ratio of not more than 4.00:1.00*
- **Pricing Grid:**

TIER	Borrowing Base Utilization	LIBOR Margin	BASE Margin	Commitment Fee
Tier One	x < 25%	125 bps	25 bps	37.5 bps
Tier Two	25% < or = x < 50%	150 bps	50 bps	37.5 bps
Tier Three	50% < or = x < 75%	175 bps	75 bps	50 bps
Tier Four	75% < or = x < 90%	200 bps	100 bps	50 bps
Tier Five	90% < or = x < 100%	225 bps	125 bps	50 bps

(1) Adjusted EBITDA is a non-GAAP financial measure. For purposes of the revolving credit facility, Adjusted EBITDA excludes amounts attributable to San Mateo. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net income and net cash provided by operating activities, see Appendix.
(2) For purposes of the Credit Agreement, Net Debt is equal to debt outstanding less available cash not exceeding $50 million and excluding all cash associated with San Mateo.

San Mateo I Credit Facility
Increased by $50 million to $375 million in October 2019

- Led by The Bank of Nova Scotia and supported by current banks in Matador's reserves-based credit facility
- Currently covers San Mateo I only, not San Mateo II
- Facility increased $50 million to $375 million from $325 million in October 2019
  - *Accordion feature could further expand the commitments of the lenders to up to $400 million*
- $288 million in borrowings outstanding at December 31, 2019 and February 25, 2020
  - *$16.2 million in outstanding letters of credit at December 31, 2019 and February 25, 2020*
- Financial covenants
  - *Maximum Total Debt to LTM Adjusted EBITDA[(1)] Ratio of not more than 5.00x*
  - *Minimum Interest Coverage Ratio of not less than 2.50x*
- Pricing Grid:

Tier	Leverage (Total Debt / LTM Adjusted EBITDA)	Libor Margin	Base Margin	Commitment Fee
Tier One	≤ 2.75x	150 bps	50 bps	30 bps
Tier Two	> 2.75x to ≤ 3.25x	175 bps	75 bps	35 bps
Tier Three	> 3.25x to ≤ 3.75x	200 bps	100 bps	37.5 bps
Tier Four	> 3.75x to ≤ 4.25x	225 bps	125 bps	50 bps
Tier Five	> 4.25x	250 bps	150 bps	50 bps

(1) Adjusted EBITDA is a non-GAAP financial measure. Based on Adjusted EBITDA for San Mateo Midstream, LLC. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA (non-GAAP) to net income (GAAP) and net cash provided by operating activities (GAAP), see Appendix.

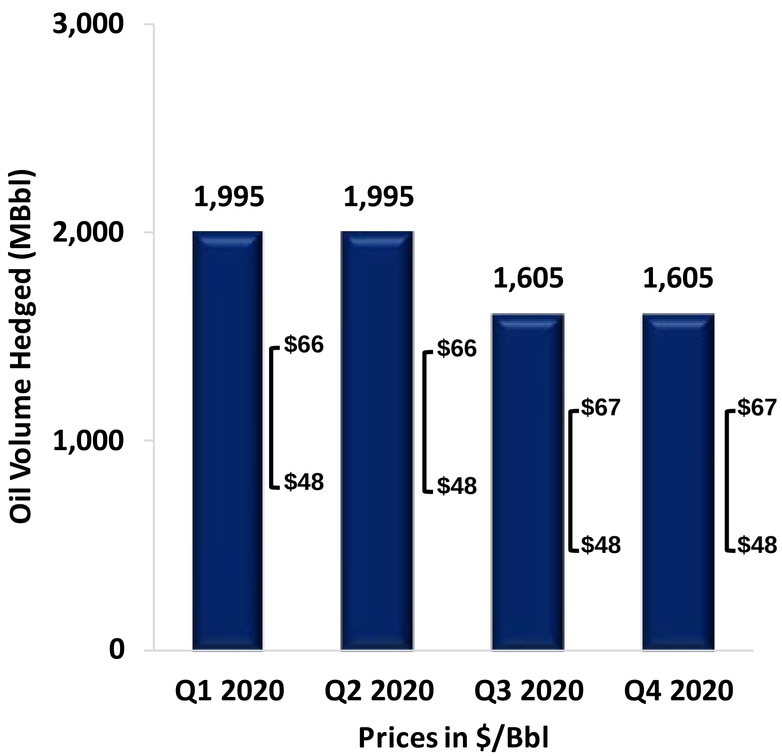
Hedging Profile – 2020, 2021 and 2022

2020, 2021 and 2022 Hedges[1]

- **Oil (WTI) Costless Collars**: ~7.2 million Bbl hedged for 2019 at weighted average floor and ceiling prices of $48/Bbl and $67/Bbl, respectively
- **Midland-Cushing Oil Basis Differential**: ~9.8 million Bbl hedged for 2020, 8.4 million Bbl hedged for 2021 and 5.5 million Bbl hedged for 2022 at weighted average prices of +$0.61/Bbl, +$0.87/Bbl and +$0.95/Bbl, respectively
- **Natural Gas (Henry Hub) Costless Collars**: No natural gas hedging for 2020 and beyond

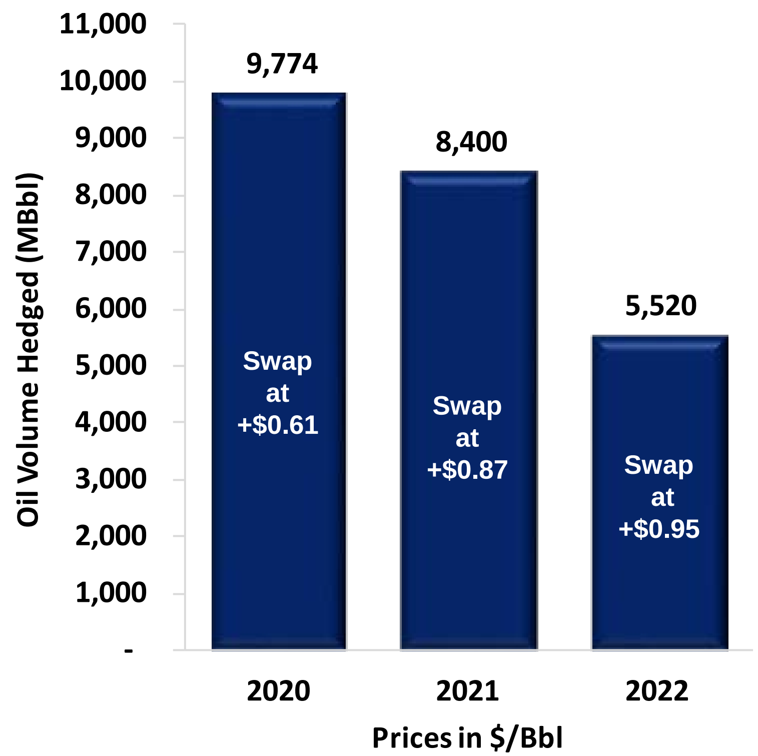
Oil Costless Collars

✅ *45% hedged for 2020[2]*



Midland-Cushing Basis Swaps

✅ *65% hedged for 2020[2]*



(1) As of January 1, 2020. Pro forma for oil hedges added through February 25, 2020.
(2) Based on midpoint of production guidance as of February 25, 2020.

Matador
RESOURCES COMPANY

Appendix

Adjusted EBITDA Reconciliation

This presentation includes the non-GAAP financial measure of Adjusted EBITDA. Adjusted EBITDA is a supplemental non-GAAP financial measure that is used by management and external users of the Company's consolidated financial statements, such as industry analysts, investors, lenders and rating agencies. "GAAP" means Generally Accepted Accounting Principles in the United States of America. The Company believes Adjusted EBITDA helps it evaluate its operating performance and compare its results of operations from period to period without regard to its financing methods or capital structure. The Company defines, on a consolidated basis and for San Mateo, 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, certain other non-cash items and non-cash stock-based compensation expense, prepayment premium on extinguishment of debt and net gain or loss on asset sales and inventory impairment. Adjusted EBITDA for San Mateo includes the financial results of San Mateo Midstream, LLC and San Mateo Midstream II, LLC. Adjusted EBITDA is not a measure of net income (loss) or net cash provided by operating activities as determined by GAAP. All references to Matador's Adjusted EBITDA are those values attributable to Matador Resources Company shareholders after giving effect to Adjusted EBITDA attributable to third-party non-controlling interests, including in San Mateo.

Adjusted EBITDA should not be considered an alternative to, or more meaningful than, net income (loss) or net cash provided by operating activities as determined in accordance with GAAP or as an indicator of the Company's operating performance or liquidity. Certain items excluded from Adjusted EBITDA are significant components of understanding and assessing a company's financial performance, such as a company's cost of capital and tax structure. Adjusted EBITDA may not be comparable to similarly titled measures of another company because all companies may not calculate Adjusted EBITDA in the same manner. The following table presents the calculation of Adjusted EBITDA and the reconciliation of Adjusted EBITDA to the GAAP financial measures of net income (loss) and net cash provided by operating activities, respectively, that are of a historical nature. Where references are pro forma, forward-looking, preliminary or prospective in nature, and not based on historical fact, the table does not provide a reconciliation. The Company could not provide such reconciliation without undue hardship because such Adjusted EBITDA numbers are estimations, approximations and/or ranges. In addition, it would be difficult for the Company to present a detailed reconciliation on account of many unknown variables for the reconciling items, including future income taxes, full-cost ceiling impairments, unrealized gains or losses on derivatives and gains or losses on asset sales and inventory impairments. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to future results.

Adjusted EBITDA Reconciliation

Matador Resources Company, Consolidated

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.

(In thousands)	1Q 2011	2Q 2011	3Q 2011	4Q 2011	1Q 2012	2Q 2012	3Q 2012	4Q 2012	1Q 2013	2Q 2013	3Q 2013	4Q 2013
Unaudited Adjusted EBITDA reconciliation to Net (Loss) Income:												
Net (loss) income attributable to Matador Resources Company shareholders	$ (27,596)	$ 7,153	$ 6,194	$ 3,941	$ 3,801	$ (6,676)	$ (9,197)	$ (21,188)	$ (15,505)	$ 25,119	$ 20,105	$ 15,374
Net (loss) income attributable to non-controlling interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	(27,596)	7,153	6,194	3,941	3,801	(6,676)	(9,197)	(21,188)	(15,505)	25,119	20,105	15,374
Interest expense	106	184	171	222	308	1	144	549	1,271	1,609	2,038	768
Total income tax provision (benefit)	(6,906)	(46)	-	1,430	3,064	(3,713)	(593)	(188)	46	32	2,563	7,056
Depletion, depreciation and amortization	7,111	8,180	7,287	9,176	11,205	19,914	21,680	27,655	28,232	20,234	26,127	23,802
Accretion of asset retirement obligations	39	57	62	51	53	58	59	86	81	80	86	100
Full-cost ceiling impairment	35,673	-	-	-	-	33,205	3,596	26,674	21,230	-	-	-
Unrealized (gain) loss on derivatives	1,668	(332)	(2,870)	(3,604)	3,270	(15,114)	12,993	3,653	4,825	(7,526)	9,327	606
Stock-based compensation expense	53	128	1,234	991	(363)	191	(51)	363	492	1,032	1,239	1,134
Net loss (gain) on asset sales and inventory impairment	-	-	-	154	-	60	-	425	-	192	-	-
Prepayment premium on extinguishment of debt	-	-	-	-	-	-	-	-	-	-	-	-
Consolidated Adjusted EBITDA	10,148	15,324	12,078	12,361	21,338	27,926	28,631	38,029	40,672	40,772	61,485	48,840
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$ 10,148**	**$ 15,324**	**$ 12,078**	**$ 12,361**	**$ 21,338**	**$ 27,926**	**$ 28,631**	**$ 38,029**	**$ 40,672**	**$ 40,772**	**$ 61,485**	**$ 48,840**

(In thousands)	1Q 2011	2Q 2011	3Q 2011	4Q 2011	1Q 2012	2Q 2012	3Q 2012	4Q 2012	1Q 2013	2Q 2013	3Q 2013	4Q 2013
Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by Operating Activities:												
Net cash provided by operating activities	$ 12,732	$ 6,799	$ 14,912	$ 27,425	$ 5,110	$ 46,416	$ 28,799	$ 43,903	$ 32,229	$ 51,684	$ 43,280	$ 52,278
Net change in operating assets and liabilities	(2,690)	8,386	(3,004)	(15,286)	15,920	(18,491)	(500)	(6,235)	7,126	(12,553)	15,265	(3,630)
Interest expense, net of non-cash portion	106	184	171	222	308	1	144	549	1,271	1,609	2,038	768
Current income tax (benefit) provision	-	(45)	(1)	-	-	-	188	(188)	46	32	902	(576)
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$ 10,148**	**$ 15,324**	**$ 12,078**	**$ 12,361**	**$ 21,338**	**$ 27,926**	**$ 28,631**	**$ 38,029**	**$ 40,672**	**$ 40,772**	**$ 61,485**	**$ 48,840**

(In thousands)	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016
Unaudited Adjusted EBITDA reconciliation to Net (Loss) Income:												
Net (loss) income attributable to Matador Resources Company shareholders	$ 16,363	$ 18,226	$ 29,619	$ 46,563	$ (50,234)	$ (157,091)	$ (242,059)	$ (230,401)	$ (107,654)	$ (105,853)	$ 11,931	$ 104,154
Net (loss) income attributable to non-controlling interest in subsidiaries	-	-	-	(17)	36	75	45	105	(13)	106	116	155
Net income (loss)	16,363	18,226	29,619	46,546	(50,198)	(157,016)	(242,014)	(230,296)	(107,667)	(105,747)	12,047	104,309
Interest expense	1,396	1,616	673	1,649	2,070	5,869	7,229	6,586	7,197	6,167	6,880	7,955
Total income tax provision (benefit)	9,536	10,634	16,504	27,701	(26,390)	(89,350)	(33,305)	1,677	-	-	(1,141)	105
Depletion, depreciation and amortization	24,030	31,797	35,143	43,767	46,470	51,768	45,237	35,370	28,923	31,248	30,015	31,863
Accretion of asset retirement obligations	117	123	130	134	112	132	182	307	264	289	276	354
Full-cost ceiling impairment	-	-	-	-	67,127	229,026	285,721	219,292	80,462	78,171	-	-
Unrealized (gain) loss on derivatives	3,108	5,234	(16,293)	(50,351)	8,557	23,532	(6,733)	13,909	6,839	26,625	(3,203)	10,977
Stock-based compensation expense	1,795	1,834	1,038	857	2,337	2,794	1,755	2,564	2,243	3,310	3,584	3,224
Net loss (gain) on asset sales and inventory impairment	-	-	-	-	97	-	-	(1,005)	(1,065)	(1,002)	(1,073)	(104,137)
Prepayment premium on extinguishment of debt	-	-	-	-	-	-	-	-	-	-	-	-
Consolidated Adjusted EBITDA	56,345	69,464	66,814	70,303	50,182	66,755	58,072	48,404	17,196	39,061	47,385	54,650
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	-	-	-	17	(38)	(80)	(49)	(111)	4	(115)	(125)	(164)
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$ 56,345**	**$ 69,464**	**$ 66,814**	**$ 70,320**	**$ 50,144**	**$ 66,675**	**$ 58,023**	**$ 48,293**	**$ 17,200**	**$ 38,946**	**$ 47,260**	**$ 54,486**

(In thousands)	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016
Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by Operating Activities:												
Net cash provided by operating activities	$ 31,945	$ 81,530	$ 66,883	$ 71,123	$ 93,346	$ 20,043	$ 72,535	$ 22,611	$ 18,358	$ 31,242	$ 46,862	$ 37,624
Net change in operating assets and liabilities	21,729	(15,221)	(586)	56	(45,234)	40,843	(20,846)	16,254	(8,059)	1,944	(4,909)	9,215
Interest expense, net of non-cash portion	1,396	1,616	673	1,649	2,070	5,869	6,678	6,285	6,897	5,875	6,573	7,706
Current income tax (benefit) provision	1,275	1,539	(156)	(2,525)	-	-	(295)	3,254	-	-	(1,141)	105
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	-	-	-	17	(38)	(80)	(49)	(111)	4	(115)	(125)	(164)
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$ 56,345**	**$ 69,464**	**$ 66,814**	**$ 70,320**	**$ 50,144**	**$ 66,675**	**$ 58,023**	**$ 48,293**	**$ 17,200**	**$ 38,946**	**$ 47,260**	**$ 54,486**

Adjusted EBITDA Reconciliation
Matador Resources Company, Consolidated

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.

(In thousands)	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019	3Q 2019	4Q 2019
Unaudited Adjusted EBITDA reconciliation to Net (Loss) Income:												
Net (loss) income attributable to Matador Resources Company shareholders	$ 43,984	$ 28,509	$ 15,039	$ 38,335	$ 59,894	$ 59,806	$ 17,794	$ 136,713	$ (16,947)	$ 36,752	$ 43,953	$ 24,019
Net (loss) income attributable to non-controlling interest in subsidiaries	1,916	3,178	2,940	4,106	5,030	5,831	7,321	7,375	7,462	8,320	9,800	9,623
Net income (loss)	45,900	31,687	17,979	42,441	64,924	65,637	25,115	144,088	(9,485)	45,072	53,753	33,642
Interest expense	8,455	9,224	8,550	8,336	8,491	8,004	10,340	14,492	17,929	18,068	18,175	19,701
Total income tax provision (benefit)	-	-	-	(8,157)	-	-	-	(7,691)	(1,013)	12,858	13,490	10,197
Depletion, depreciation and amortization	33,992	41,274	47,800	54,436	55,369	66,838	70,457	72,478	76,866	80,132	92,498	101,043
Accretion of asset retirement obligations	300	314	323	353	364	375	387	404	414	420	520	468
Unrealized (gain) loss on derivatives	(20,631)	(13,190)	12,372	11,734	(10,416)	(1,429)	21,337	(74,577)	45,719	(6,157)	(9,847)	24,012
Stock-based compensation expense	4,166	7,026	1,296	4,166	4,179	4,766	4,842	3,413	4,587	4,490	4,664	4,765
Net loss (gain) on asset sales and inventory impairment	(7)	-	(16)	-	-	-	196	-	-	368	439	160
Prepayment premium on extinguishment of debt	-	-	-	-	-	-	31,226	-	-	-	-	-
Consolidated Adjusted EBITDA	72,175	76,335	88,304	113,309	122,911	144,191	163,900	152,607	135,017	155,251	173,692	193,988
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	(2,216)	(3,683)	(3,471)	(4,690)	(5,657)	(6,853)	(8,508)	(9,368)	(10,178)	(11,147)	(12,903)	(12,964)
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$ 69,959**	**$ 72,652**	**$ 84,833**	**$ 108,619**	**$ 117,254**	**$ 137,338**	**$ 155,392**	**$ 143,239**	**$ 124,839**	**$ 144,104**	**$ 160,789**	**$ 181,024**

(In thousands)	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019	3Q 2019	4Q 2019
Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by Operating Activities:												
Net cash provided by operating activities	$ 61,309	$ 59,933	$ 101,274	$ 76,609	$ 136,149	$ 118,059	$ 165,111	$ 189,205	$ 59,240	$ 135,257	$ 158,630	$ 198,915
Net change in operating assets and liabilities	2,455	7,198	(21,481)	36,886	(21,364)	18,174	(11,111)	(50,129)	58,491	2,472	(2,488)	(23,958)
Interest expense, net of non-cash portion	8,411	9,204	8,511	7,971	8,126	7,958	9,900	13,986	17,286	17,522	17,550	19,031
Current income tax (benefit) provision	-	-	-	(8,157)	-	-	-	(455)	-	-	-	-
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	(2,216)	(3,683)	(3,471)	(4,690)	(5,657)	(6,853)	(8,508)	(9,368)	(10,178)	(11,147)	(12,903)	(12,964)
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$ 69,959**	**$ 72,652**	**$ 84,833**	**$ 108,619**	**$ 117,254**	**$ 137,338**	**$ 155,392**	**$ 143,239**	**$ 124,839**	**$ 144,104**	**$ 160,789**	**$ 181,024**

Adjusted EBITDA Reconciliation
Matador Resources Company, Consolidated

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.

	Year Ended December 31,									
(In thousands)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Unaudited Adjusted EBITDA reconciliation to Net Income (Loss):										
Net income (loss) attributable to Matador Resources Company shareholders	$6,377	($10,309)	($33,261)	$45,094	$110,771	($679,785)	($97,421)	$125,867	$274,207	$87,777
Net (loss) income attributable to non-controlling interest in subsidiaries	-	-	-	-	(17)	261	364	12,140	25,557	35,205
Net income (loss)	$6,377	($10,309)	($33,261)	$45,094	$110,754	($679,524)	($97,057)	$138,007	$299,764	$122,982
Interest expense	3	683	1,002	5,687	5,334	21,754	28,199	34,565	41,327	73,873
Total income tax provision (benefit)	3,521	(5,521)	(1,430)	9,697	64,375	(147,368)	(1,036)	(8,157)	(7,691)	35,532
Depletion, depreciation and amortization	15,596	31,754	80,454	98,395	134,737	178,847	122,048	177,502	265,142	350,540
Accretion of asset retirement obligations	155	209	256	348	504	734	1,182	1,290	1,530	1,822
Full-cost ceiling impairment	-	35,673	63,475	21,229	-	801,166	158,633	-	-	-
Unrealized (gain) loss on derivatives	(3,139)	(5,138)	4,802	7,232	(58,302)	39,265	41,238	(9,715)	(65,085)	53,727
Stock-based compensation expense	898	2,406	140	3,897	5,524	9,450	12,362	16,654	17,200	18,505
Net loss (gain) on asset sales and inventory impairment	224	154	485	192	0	(908)	(107,277)	(23)	196	967
Prepayment premium on extinguishment of debt	-	-	-	-	-	-	-	-	31,226	-
Consolidated Adjusted EBITDA	23,635	49,911	115,923	191,771	262,926	223,416	158,292	350,123	583,609	657,948
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	-	-	-	-	17	(278)	(400)	(14,060)	(30,386)	(47,192)
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$23,635**	**$49,911**	**$115,923**	**$191,771**	**$262,943**	**$223,138**	**$157,892**	**$336,063**	**$553,223**	**$610,756**

	Year Ended December 31,									
(In thousands)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by Operating Activities:										
Net cash provided by operating activities	$27,273	$61,868	$124,228	$179,470	$251,481	$208,535	$134,086	$299,125	$608,523	$552,042
Net change in operating assets and liabilities	(2,230)	(12,594)	(9,307)	6,210	5,978	(8,980)	(1,809)	25,058	(64,429)	34,517
Interest expense, net of non-cash portion	3	683	1,002	5,687	5,334	20,902	27,051	34,097	39,970	71,389
Current income tax provision (benefit)	(1,411)	(46)	-	404	133	2,959	(1,036)	(8,157)	(455)	-
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	-	-	-	-	17	(278)	(400)	(14,060)	(30,386)	(47,192)
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$23,635**	**$49,911**	**$115,923**	**$191,771**	**$262,943**	**$223,138**	**$157,892**	**$336,063**	**$553,223**	**$610,756**

Adjusted EBITDA Reconciliation
San Mateo[1]

The following table presents the calculation of Adjusted EBITDA and reconciliation of Adjusted EBITDA to the GAAP financial measures of net income (loss) and net cash provided by (used in) operating activities, respectively, for San Mateo Midstream, LLC and San Mateo Midstream II, LLC.

	Year Ended December 31,				
(In thousands)	**2015**	**2016**	**2017**	**2018**	**2019**
Unaudited Adjusted EBITDA reconciliation to Net Income (Loss):					
Net income	$ 2,719	$ 10,174	$ 26,391	$52,158	$ 71,850
Total income tax provision	647	97	269	–	–
Depletion, depreciation and amortization	562	1,739	4,231	9,459	15,068
Interest expense	–	–	–	333	9,282
Accretion of asset retirement obligations	16	47	30	61	110
Adjusted EBITDA (Non-GAAP)	**$ 3,944**	**$ 12,057**	**$ 30,921**	**$62,011**	**$ 96,310**

	Year Ended December 31,				
(In thousands)	**2015**	**2016**	**2017**	**2018**	**2019**
Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by (Used in) Operating Activities:					
Net cash provided by (used in) operating activities	$ 13,916	$ 6,694	$ 21,308	$ 35,702	$ 106,650
Net change in operating assets and liabilities	(10,007)	5,266	9,344	25,989	(19,137)
Interest expense, net of non-cash portion	–	–	–	320	8,797
Current income tax provision	35	97	269	–	–
Adjusted EBITDA (Non-GAAP)	**$ 3,944**	**$ 12,057**	**$ 30,921**	**$ 62,011**	**$ 96,310**

(1) Pro forma for February 2017 San Mateo I transaction and the purchase of the non-controlling interest in Fulcrum Delaware Water Resources, LLC not previously owned by Matador.

Adjusted EBITDA Reconciliation
San Mateo[(1)]

The following table presents the calculation of Adjusted EBITDA and reconciliation of Adjusted EBITDA to the GAAP financial measures of net income (loss) and net cash provided by (used in) operating activities, respectively, for San Mateo Midstream, LLC and San Mateo Midstream II, LLC.

	Three Months Ended											
(In thousands)	**3/31/2017**	**6/30/2017**	**9/30/2017**	**12/31/2017**	**3/31/2018**	**6/30/2018**	**9/30/2018**	**12/31/2018**	**3/31/2019**	**6/30/2019**	**9/30/2019**	**12/31/2019**
Unaudited Adjusted EBITDA reconciliation to Net Income (Loss):												
Net income	$ 5,741	$ 6,422	$ 5,937	$ 8,291	$ 10,266	$ 11,901	$ 14,940	$ 15,051	$ 15,229	$ 16,979	$ 20,000	$ 19,642
Total income tax provision	54	64	63	88	–	–	–	–	–	–	–	–
Depletion, depreciation and amortization	951	1,016	1,083	1,181	1,268	2,086	2,392	3,713	3,406	3,565	3,848	4,249
Interest expense	–	–	–	–	–	–	–	333	2,142	2,180	2,458	2,502
Accretion of asset retirement obligations	–	9	10	11	11	12	18	20	–	25	27	58
Adjusted EBITDA (Non-GAAP)	**$ 6,746**	**$ 7,511**	**$ 7,093**	**$ 9,571**	**$ 11,545**	**$ 13,999**	**$ 17,350**	**$ 19,117**	**$ 20,777**	**$ 22,749**	**$ 26,333**	**$ 26,451**

	Three Months Ended											
(In thousands)	**3/31/2017**	**6/30/2017**	**9/30/2017**	**12/31/2017**	**3/31/2018**	**6/30/2018**	**9/30/2018**	**12/31/2018**	**3/31/2019**	**6/30/2019**	**9/30/2019**	**12/31/2019**
Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by (Used in) Operating Activities:												
Net cash provided by (used in) operating activities	$ (1,064)	$ 2,630	$ 22,509	$ (2,767)	$ 10,385	$ (160)	$ 2,093	$ 23,070	$ 32,616	$ 18,650	$ 31,550	$ 23,834
Net change in operating assets and liabilities	7,756	4,817	(15,479)	12,250	1,160	14,159	15,257	(4,273)	(13,899)	2,031	(7,468)	199
Interest expense, net of non-cash portion	–	–	–	–	–	–	–	320	2,060	2,068	2,251	2,418
Current income tax provision	54	64	63	88	–	–	–	–	–	–	–	–
Adjusted EBITDA (Non-GAAP)	**$ 6,746**	**$ 7,511**	**$ 7,093**	**$ 9,571**	**$ 11,545**	**$ 13,999**	**$ 17,350**	**$ 19,117**	**$ 20,777**	**$ 22,749**	**$ 26,333**	**$ 26,451**

(1) Pro forma for February 2017 San Mateo I transaction and the purchase of the non-controlling interest in Fulcrum Delaware Water Resources, LLC not previously owned by Matador.

Adjusted Net Income and Adjusted Earnings Per Diluted Common Share

This presentation includes the non-GAAP financial measures of adjusted net income and adjusted earnings per diluted common share. These non-GAAP items are measured as net income attributable to Matador Resources Company shareholders, adjusted for dollar and per share impact of certain items, including unrealized gains or losses on derivatives, the impact of full cost-ceiling impairment charges, if any, and non-recurring transaction costs for certain acquisitions or other non-recurring expense items, along with the related tax effect for all periods. This non-GAAP financial information is provided as additional information for investors and is not in accordance with, or an alternative to, GAAP financial measures. Additionally, these non-GAAP financial measures may be different than similar measures used by other companies. The Company believes the presentation of adjusted net income and adjusted earnings per diluted common share provides useful information to investors, as it provides them an additional relevant comparison of the Company's performance across periods and to the performance of the Company's peers. In addition, these non-GAAP financial measures reflect adjustments for items of income and expense that are often excluded by industry analysts and other users of the Company's financial statements in evaluating the Company's performance. The table below reconciles adjusted net income and adjusted earnings per diluted common share to their most directly comparable GAAP measure of net income attributable to Matador Resources Company shareholders.

	Three Months Ended			Year Ended December 31,		
(In thousands, except per share data)	December 31, 2019	September 30, 2019	December 31, 2018	2019	2018	2017
Unaudited Adjusted Net Income and Adjusted Earnings						
Net income attributable to Matador Resources Company shareholders	$ 24,019	$ 43,953	$ 136,713	$87,777	$274,207	$125,867
Total income tax provision (benefit)	10,197	13,490	(7,691)	35,532	(7,691)	(8,157)
Income attributable to Matador Resources Company shareholders before taxes [1]	34,216	57,443	129,022	123,309	266,516	117,710
Less non-recurring and unrealized charges to net income before taxes:						
Unrealized loss (gain) on derivatives	24,012	(9,847)	(74,577)	53,727	(65,085)	(9,715)
Net loss (gain) on asset sales and inventory impairment	160	439	-	967	196	(23)
Non-recurring expenses related to stock-based compensation	-	-	-	-	-	1,515
Non-recurring transaction costs associated with formation of San Mateo	-	-	-	-	-	3,458
Prepayment premium on extinguishment of debt	-	-	-	-	31,226	-
Adjusted income attributable to Matador Resources Company shareholders before taxes	58,388	48,035	54,445	178,003	232,853	112,945
Income tax expense [1]	12,261	10,087	11,433	37,381	48,899	39,531
Adjusted net income attributable to Matador Resources Company shareholders (non-GAAP)	**$ 46,127**	**$ 37,948**	**$ 43,012**	**$ 140,622**	**$ 183,954**	**$ 73,414**
Weighted average shares outstanding, including participating securities - basic	116,641	116,643	116,341	116,555	113,580	102,029
Dilutive effect of options and restricted stock units	342	333	68	508	111	514
Weighted average common shares outstanding - diluted	116,983	116,976	116,409	117,063	113,691	102,543
Adjusted earnings per share attributable to Matador Resources Company shareholders (non-GAAP)						
Basic	**$ 0.40**	**$ 0.33**	**$ 0.37**	**$ 1.21**	**$ 1.62**	**$ 0.72**
Diluted	**$ 0.39**	**$ 0.32**	**$ 0.37**	**$ 1.20**	**$ 1.62**	**$ 0.72**

(1) Estimated using federal statutory tax rate in effect for the period.

PV-10 Reconciliation

PV-10 is a non-GAAP financial measure and generally differs from Standardized Measure, the most directly comparable GAAP financial measure, because it does not include the effects of income taxes on future net revenues. PV-10 is not an estimate of the fair market value of the Company's properties. Matador and others in the industry use PV-10 as a measure to compare the relative size and value of proved reserves held by companies and of the potential return on investment related to the companies' properties without regard to the specific tax characteristics of such entities. PV-10 may be reconciled to the Standardized Measure of discounted future net cash flows at such dates by adding the discounted future income taxes associated with such reserves to the Standardized Measure.

	At December 31, 2019	At December 31, 2018	At December 31, 2017
Standardized Measure *(in millions)*	**$2,034.0**	**$2,250.6**	**$1,258.6**
Discounted Future Income Taxes *(in millions)*	**214.2**	**328.7**	**74.8**
PV-10 *(in millions)*	**$2,248.2**	**$2,579.3**	**$1,333.4**