Matador
RESOURCES COMPANY

Third Quarter 2020 Earnings Release

October 27, 2020

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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 impact of the worldwide spread of the novel coronavirus, or COVID-19, on oil and natural gas demand, oil and natural gas prices and our business; the operating results of the Company's midstream joint venture's Black River natural gas cryogenic processing 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 produced water disposal wells; 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.

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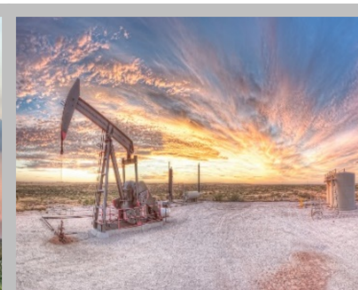

Chairman’s Remarks

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SLIDE A

2020 Priorities – Protecting the Balance Sheet is First Priority

Balance Sheet Improvements

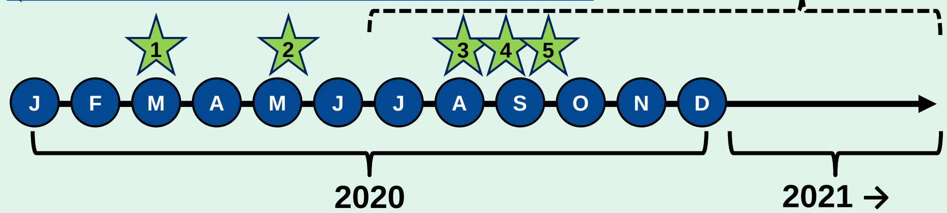
1. *Reducing Rig Count from 6 to 3 rigs*
2. *Reducing Capital Costs, G&A and LOE*
3. *Capital Efficiency Improvements*
4. *Restructured Hedge Portfolio*
5. *San Mateo Performance Incentives*
6. *Commodity Marketing Options*
7. *Non-Core Asset Divestitures*
8. *Monetizing Mineral Interests*

Five Significant 2020 Milestones - Timeline

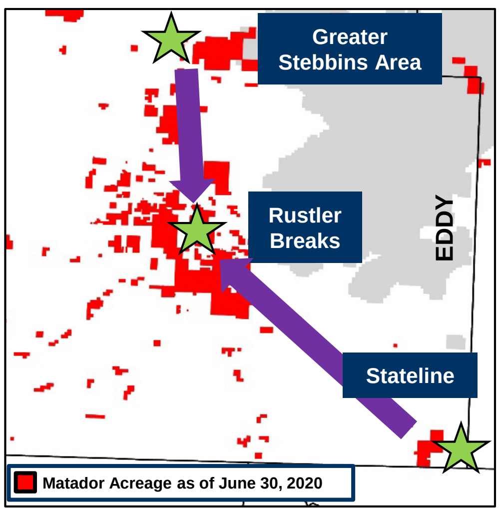
1. Rodney Robinson wells turned to sales
2. Ray wells turned to sales
3. Leatherneck wells turned to sales
4. San Mateo cryogenic plant expansion
5. First 13 Stateline (Boros) wells turned to sales

Q3 2020 and Beyond

- Operating three rigs in Delaware Basin
- 26 Stateline wells online by Q2 2021
- All wells turned to sales expected to have laterals greater than one mile



San Mateo Expansion – In Service

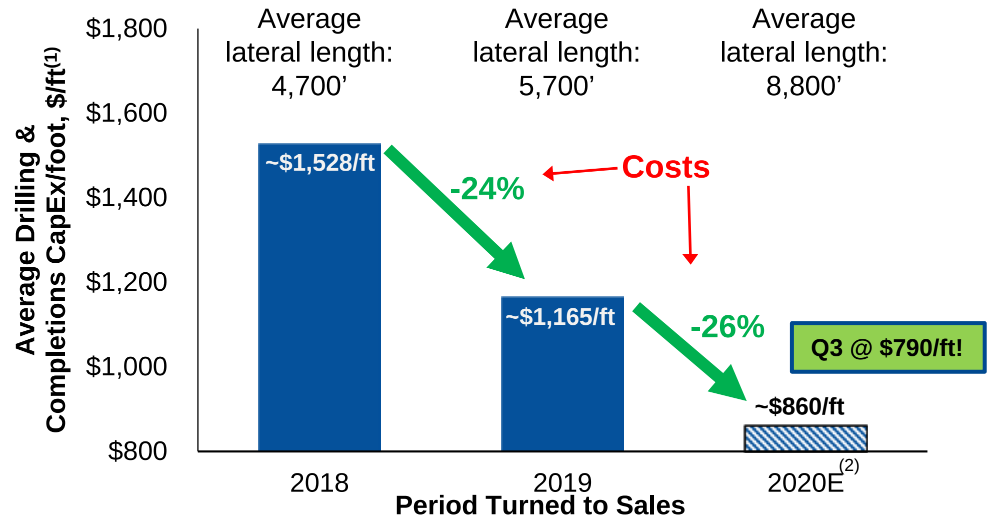


New San Mateo II Infrastructure

- Expansion of gas processing plant by additional 200 MMcf/d
- Gas, oil and water gathering, oil transportation and water disposal infrastructure
- Up to $150 million in deferred performance incentives

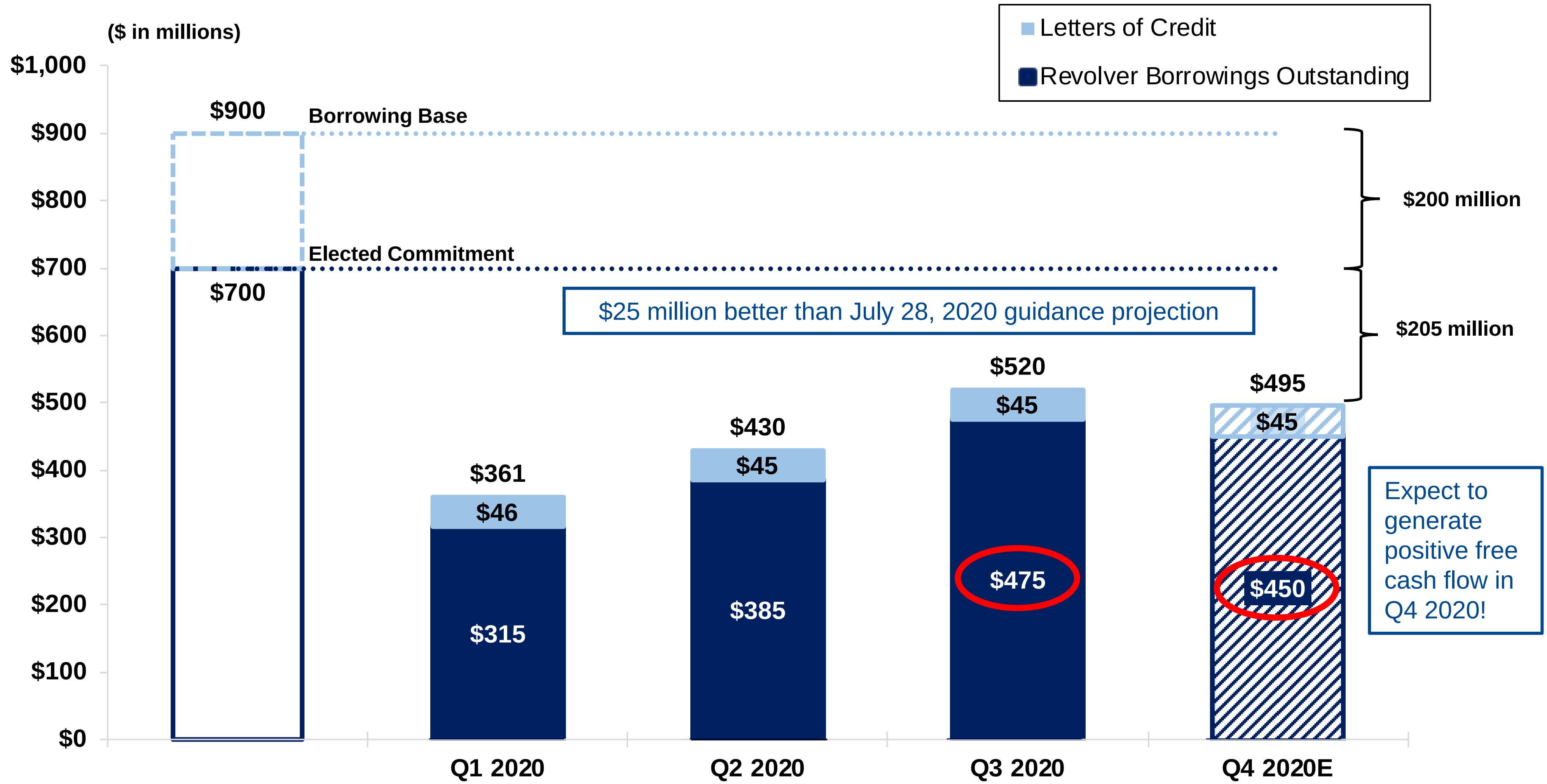
Represents large-diameter natural gas gathering lines connecting Greater Stebbins Area and Stateline asset area to the expanded Black River Processing Plant

Improved Capital Efficiency: D&C CapEx/ft



(1) Cost per foot metric shown represents the D&C portion of well costs only. Excludes costs to equip wells, midstream capital expenditures, capitalized G&A or interest expenses and certain other capital expenditures.
(2) As of and as provided on October 27, 2020.

Revolver Borrowings Outstanding – Quarterly Estimates for Q4 2020

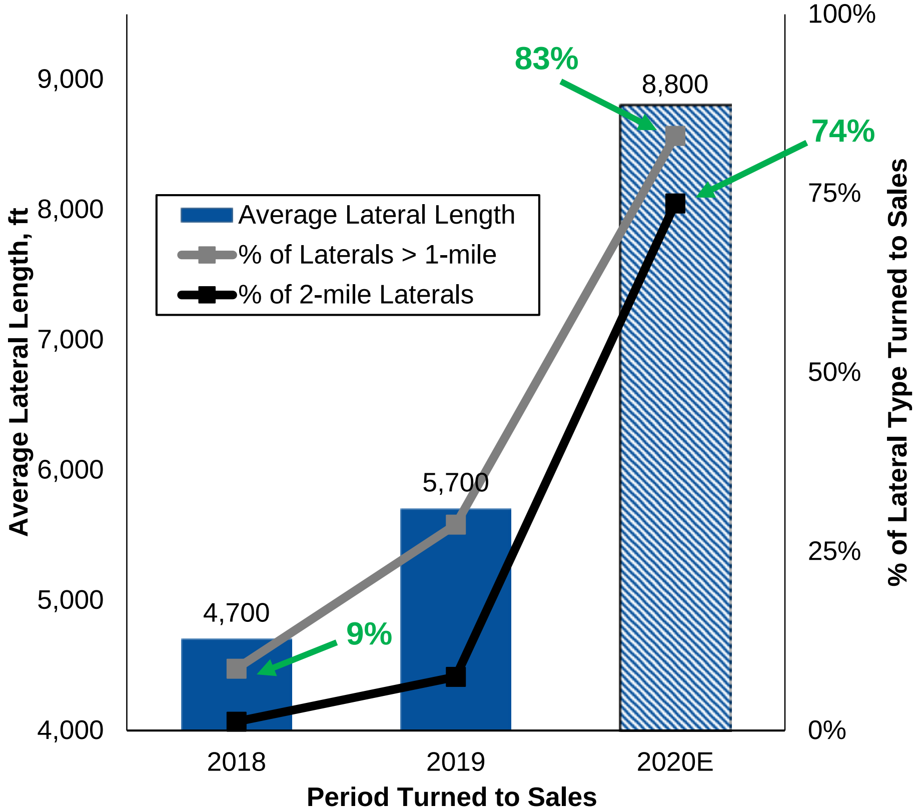


	Q1 2020	Q2 2020	Q3 2020	Q4 2020E
Net Debt/ LTM Adjusted EBITDA[(1)(2)]:	**2.2x**	**2.5x**	**2.8x**	**3.2x**
Realized Oil Price[(3)] ($/Bbl):	**$45.87**	**$24.03**	**$38.67**	**$37.67**
Realized Gas Price[(3)] ($/Mcf):	**$1.70**	**$1.49**	**$2.27**	**$2.96**

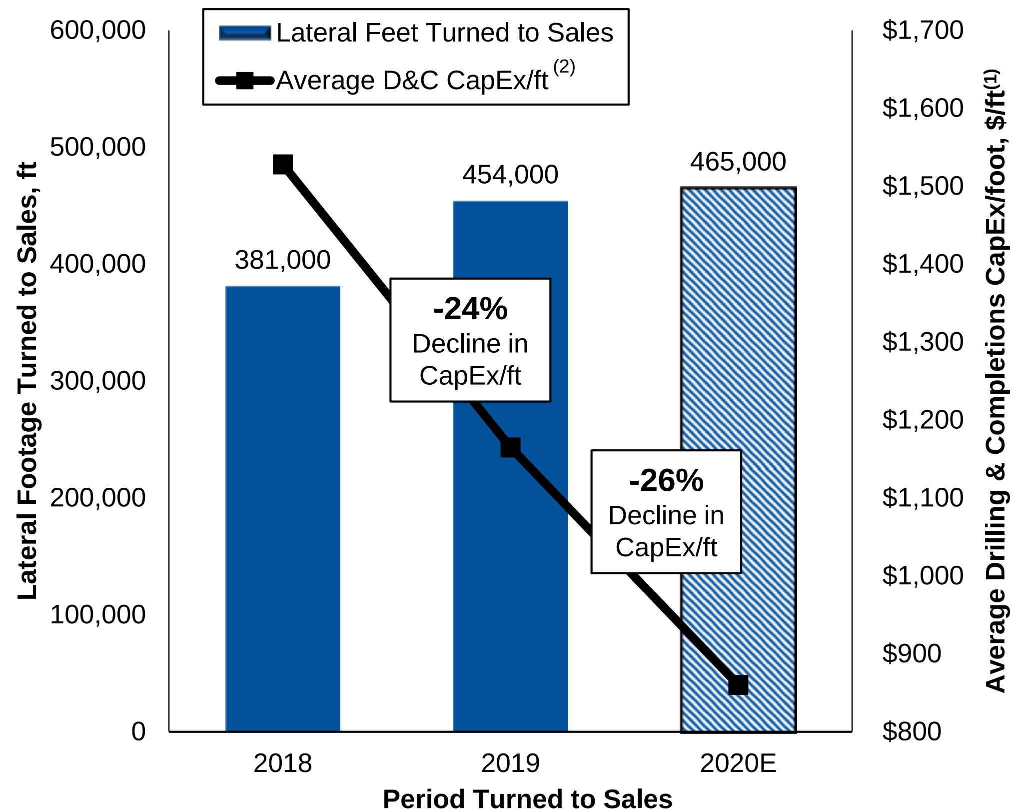
Assumes strip pricing as of late October 2020 and no significant transactions in 2020.
(1) Adjusted EBITDA is a non-GAAP financial measure. Reflects calculation under Matador's revolving credit agreement (the "Credit Agreement"). For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA (non-GAAP) to net income (loss) (GAAP) and net cash provided by operating activities (GAAP), see Appendix.
(2) For purposes of the Credit Agreement, Net Debt at September 30, 2020 is calculated as (i) $1.05 billion in senior notes outstanding, plus (ii) $520 million in debt under the Credit Agreement, including outstanding borrowings and letters of credit, less (iii) $41.8 million in available cash.
(3) Without realized derivatives. Q4 values shown above are estimated realized oil and natural gas prices used in making borrowing projections.

A Step Change in Capital Efficiency: Updated 2020 Expectations[1]

Average Lateral Length and % of Longer Laterals



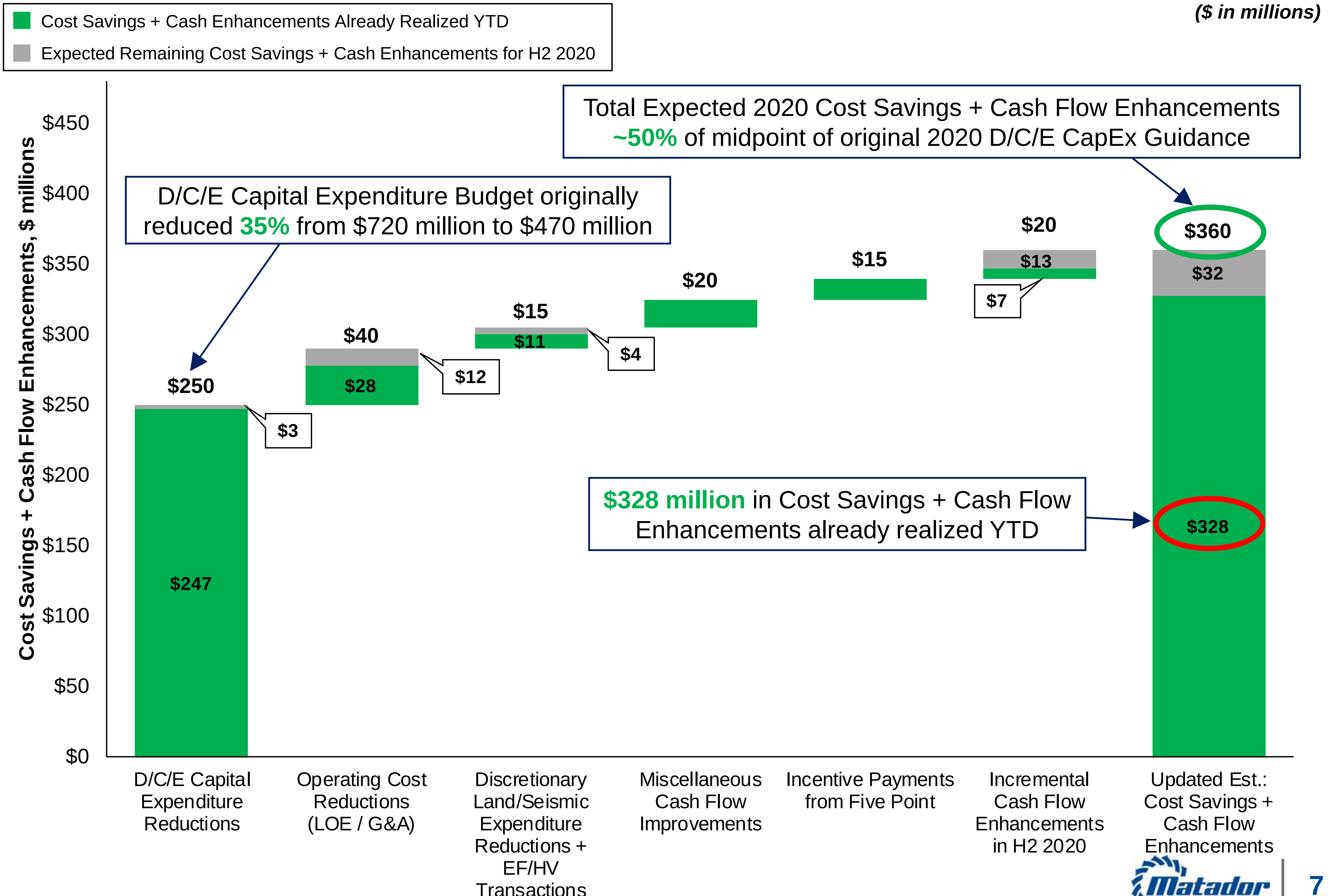
CapEx per Foot[2] and Lateral Footage Turned to Sales



- By combining longer laterals with increased pad development, Matador has significantly reduced development costs per foot between 2018 and 2020
- 83% of laterals expected to be greater than one mile in 2020, as compared to 29% in 2019 and 9% in 2018
- 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, saving ~$160 million in gross D&C CapEx as compared to 2018 costs
- In Q3 2020, Matador's drilling and completion costs for all horizontal wells turned to sales averaged $790/ft, a decrease of ~32% from full year 2019 and a decrease of ~48% from full year 2018, saving ~$142 million in gross D&C CapEx as compared to 2018 costs

Note: All footage and percentage of lateral types shown are based on gross operated horizontal wells.
(1) As of and as updated on October 27, 2020.
(2) Cost per foot metric shown represents the drilling and completion (D&C) portion of well costs only. Excludes costs to equip wells, midstream capital expenditures, capitalized G&A or interest expenses and certain other capital expenditures.

Elements of 2020 Cost Savings & Cash Flow Enhancements
$360 Million Potential Improvement vs. Original Guidance

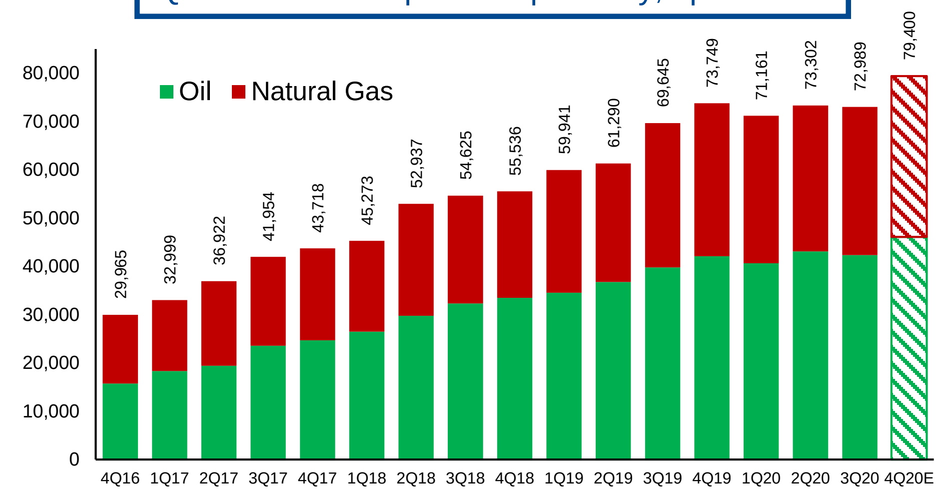


A Tightly Integrated Strategy: Growing E&P and Midstream Together

Average Daily Total Production

(BOE/d)

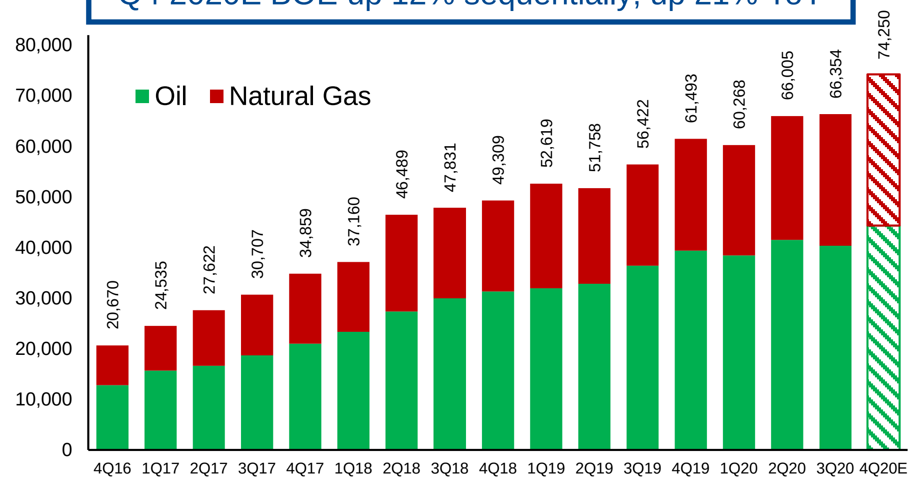
Q4 2020E BOE up 9% sequentially; up 8% YoY



Average Daily Total Delaware Production

Delaware Basin (BOE/d)

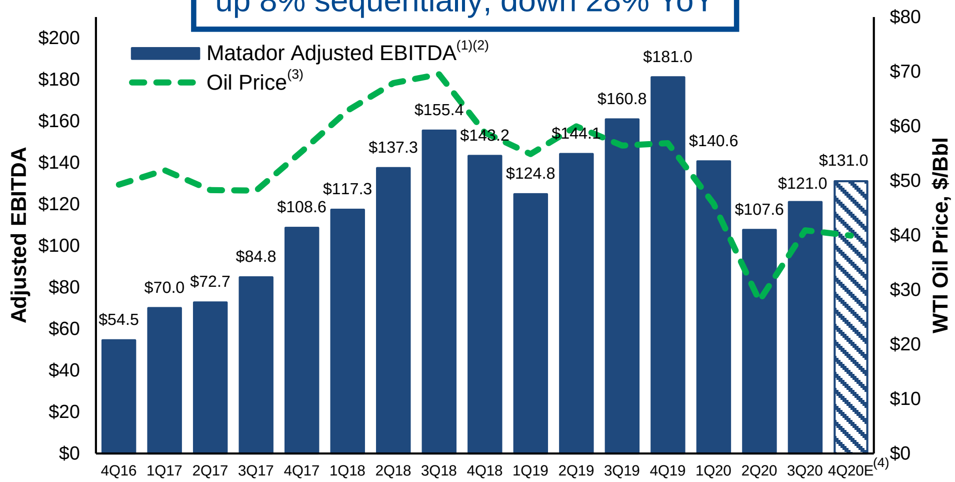
Q4 2020E BOE up 12% sequentially; up 21% YoY



Matador Adjusted EBITDA(1)(2)

($ in millions)

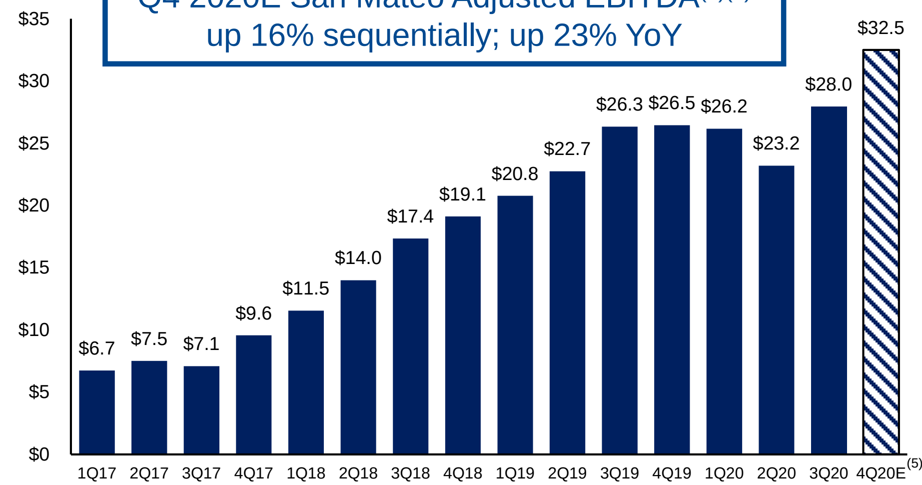
Q4 2020E Adjusted EBITDA(1)(2)(4) up 8% sequentially; down 28% YoY



San Mateo Adjusted EBITDA(2)

($ in millions)

Q4 2020E San Mateo Adjusted EBITDA(2)(5) up 16% sequentially; up 23% YoY



(1) Attributable to Matador Resources Company shareholders.
(2) 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 (loss) (GAAP) and net cash provided by operating activities (GAAP), see Appendix. San Mateo Adjusted EBITDA is based on the combined Adjusted EBITDA of San Mateo I and San Mateo II.
(3) Average settlement price for West Texas Intermediate ("WTI") crude oil for the period.
(4) Expected to be between $128 and $134 million, based upon estimated realized oil and natural gas prices of $37.67 per Bbl and $2.96 per Mcf, respectively (assumes strip pricing as of late October 2020).
(5) Expected to be between $31 and $34 million, based upon estimates for increased throughput and processing services in Q4 2020.

Operational and Financial Results

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Strong Results for Third Quarter 2020

Strong Production	• Oil production of ~42,300 Bbl/d, **up 6%** from ~39,800 Bbl/d in Q3 2019 – **Above Guidance!** • Natural gas production of ~183.9 MMcf/d, **up 3%** from ~179.2 MMcf/d in Q3 2019 – **Above Guidance!** • Total production of ~73,000 BOE/d, **up 5%** from ~69,600 BOE/d in Q3 2019 – **Above Guidance!**
Improving Capital Efficiency, LOE & G&A	• D&C costs for operated horizontal wells turned to sales of **$790** per completed lateral foot, **down 32%** from full year 2019 – **All-Time Low!** • LOE of $3.48 per BOE, **down 25%** from $4.64 per BOE in Q3 2019 – **All-Time Low!** • G&A expenses of $2.25 per BOE, **down 29%** from $3.18 per BOE in Q3 2019 – **Near All-Time Low!**
Solid San Mateo Results	• San Mateo net income(1) of $20.3 million, **up 2%** from $20.0 million in Q3 2019 • San Mateo Adjusted EBITDA(1)(2) of $28.0 million, **up 6%** from $26.3 million in Q3 2019 – **Above Company Expectations!**
Borrowing Base Reaffirmed at $900 Million	• In October 2020, Matador's lenders reaffirmed the borrowing base under the Credit Agreement at $900 million and Matador's elected commitment remained constant at $700 million • No changes made to the terms of the Credit Agreement • At September 30, 2020, total borrowings outstanding under the Credit Agreement were $475 million, $25 million less than the Company's expectations
Exceeded Q3 2020 Guidance	• Average daily total production **~flat** sequentially vs. guidance(3) of a sequential decline of 5% to 6% • D/C/E CapEx of **$95 million** vs. estimate of $117 million • Midstream CapEx of **$28 million** vs. estimate of $38 million

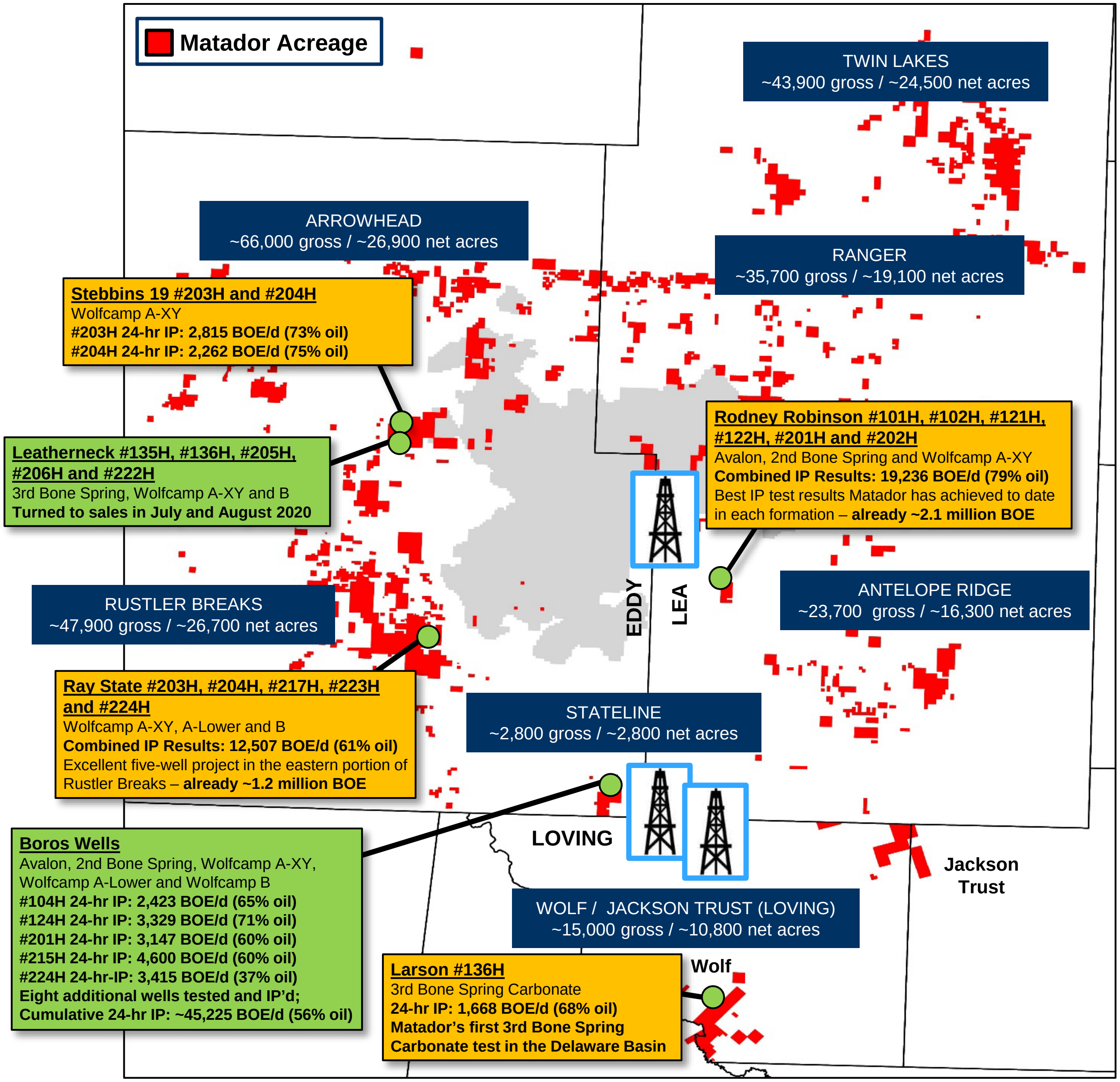
(1) Based on combined net income and Adjusted EBITDA of San Mateo Midstream, LLC ("San Mateo I") and San Mateo Midstream II, LLC ("San Mateo II," and, together with San Mateo I, "San Mateo").
(2) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA (non-GAAP) to net income (loss) (GAAP) and net cash provided by operating activities (GAAP), see Appendix.
(3) As provided on July 28, 2020.

Q3 2020 Selected Operating and Financial Results

	Three Months Ended		
	September 30, 2020	June 30, 2020	September 30, 2019
Net Production Volumes:[1]			
Oil (MBbl)	3,895	3,920	3,659
Natural gas (Bcf)	16.9	16.5	16.5
Total oil equivalent (MBOE)	6,715	6,670	6,407
Average Daily Production Volumes:[1]			
Oil (Bbl/d)	42,340	43,074	39,776
Natural gas (MMcf/d)	183.9	181.4	179.2
Total oil equivalent (BOE/d)	72,989	73,302	69,645
Average Sales Prices:			
Oil, without realized derivatives, $/Bbl	$ 38.67	$ 24.03	$ 54.19
Oil, with realized derivatives, $/Bbl	$ 37.28	$ 35.28	$ 54.97
Natural gas, without realized derivatives, $/Mcf	$ 2.27	$ 1.49	$ 1.88
Natural gas, with realized derivatives, $/Mcf	$ 2.27	$ 1.49	$ 1.91
Revenues (millions):			
Oil and natural gas revenues	$ 189.1	$ 118.8	$ 229.4
Third-party midstream services revenues	$ 19.4	$ 14.7	$ 15.3
Lease bonus - mineral acreage	$ -	$ 4.1	$ 1.7
Realized (loss) gain on derivatives	$ (5.4)	$ 44.1	$ 3.3
Operating Expenses (per BOE):			
Production taxes, transportation and processing	$ 3.85	$ 2.82	$ 3.86
Lease operating	$ 3.48	$ 3.92	$ 4.64
Plant and other midstream services operating	$ 1.40	$ 1.47	$ 1.38
Depletion, depreciation and amortization	$ 13.11	$ 14.00	$ 14.44
General and administrative[2]	$ 2.25	$ 2.21	$ 3.18
Total[3]	$ 24.09	$ 24.42	$ 27.50
Other (millions):			
Net sales of purchased natural gas[4]	$ 2.2	$ 3.1	$ 3.3
Net (loss) income (millions)[5]	$ (276.1)	$ (353.4)	$ 44.0
(Loss) earnings per common share (diluted)[5]	$ (2.38)	$ (3.04)	$ 0.38
Adjusted net income (loss) (millions)[5][6]	$ 11.6	$ (3.1)	$ 37.9
Adjusted earnings (loss) per common share (diluted)[5][7]	$ 0.10	$ (0.03)	$ 0.32
Adjusted EBITDA (millions)[5][8]	$ 121.0	$ 107.6	$ 160.8
San Mateo net income (millions)	$ 20.3	$ 15.3	$ 20.0
San Mateo Adjusted EBITDA (millions)[8]	$ 28.0	$ 23.2	$ 26.3

(1) Production volumes reported in two streams: oil and natural gas, including both dry and liquids-rich natural gas.
(2) Includes approximately $0.50, $0.49 and $0.73 per BOE of non-cash, stock-based compensation expense in the third quarter of 2020, the second quarter of 2020 and the third quarter of 2019, respectively.
(3) Total does not include the impact of full-cost ceiling impairment charges, 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 (loss) is a non-GAAP financial measure. For a definition of adjusted net income (loss) and a reconciliation of adjusted net income (loss) (non-GAAP) to net income (loss) (GAAP), see Appendix.
(7) Adjusted earnings (loss) per diluted common share is a non-GAAP financial measure. For a definition of adjusted earnings (loss) per diluted common share and a reconciliation of adjusted earnings (loss) per diluted common share (non-GAAP) to earnings (loss) 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 (loss) (GAAP) and net cash provided by operating activities (GAAP), see Appendix.

Delaware Basin – Continuing to Deliver Strong Well Results!



Note: All acreage as of June 30, 2020. Some tracts not shown on map. Gold boxes include well results disclosed previously.

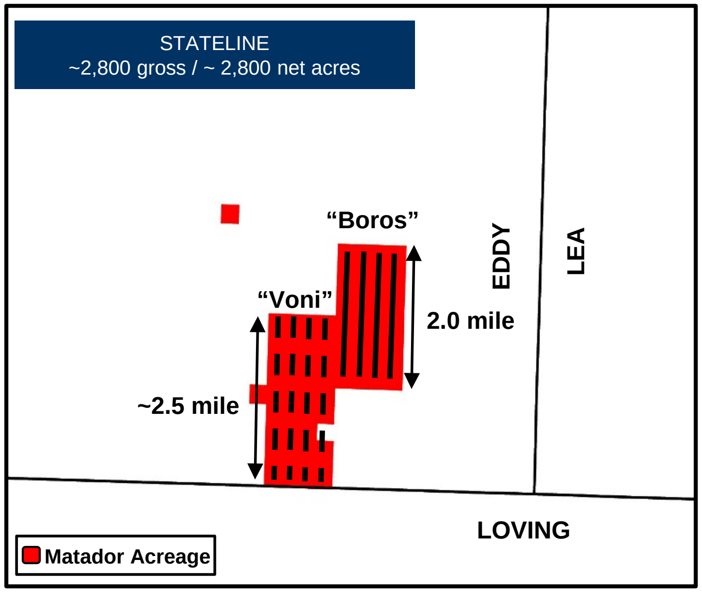
Reduced operated rigs in Delaware Basin from six to <u>three</u> at the end of Q2 2020 – expect to run <u>three</u> rigs for remainder of 2020

<u>During remainder of 2020:</u>

- **<u>Stateline</u>**: Two rigs drilling the first 13 wells on the western portion of the leasehold (Voni wells), all with lateral lengths up to 2.5 miles – expected online in early Q2 2021
- **<u>Antelope Ridge</u>**: Began drilling the next four wells on the Rodney Robinson tract in late September 2020 – expected online in late Q1 2021
- **<u>Rustler Breaks</u>**: Expect to complete five gross wells in Q4 2020, including two additional Ray State wells
- **<u>Arrowhead/Ranger/Twin Lakes</u>**: Five Leatherneck wells, all two-mile laterals, recently turned to sales; no additional activity planned for 2020
- **<u>Wolf/Jackson Trust</u>**: Two Wolfcamp A-XY wells, each 1.5-mile laterals, recently turned to sales; no additional activity planned for 2020

*In second half of 2020, all wells completed and turned to sales expected to be two-mile laterals, with the exception of the two Marsh wells at Wolf – **transition to two-mile laterals has gone very well!***

Stateline Asset Area – Eddy County, New Mexico

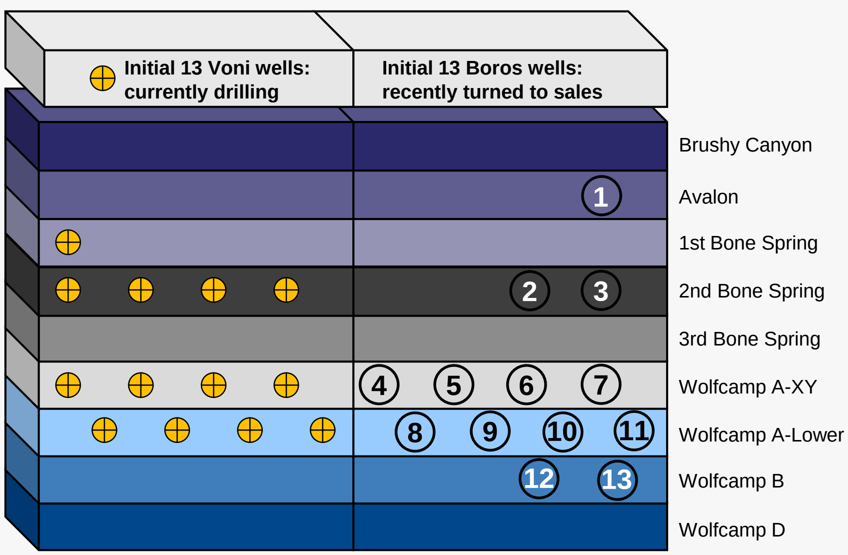


Asset Summary and Highlights

Acreage Overview	• Approximately 2,800 gross/net acres with 87.5% net revenue interest acquired in September 2018 BLM lease sale • Approximately 88 gross two-mile and ~2.5-mile lateral locations planned
Highlights	• All 13 Boros wells flowing back and connected to San Mateo – Drilling and completions costs for the initial 13 Boros wells came in under $800/ft • Cumulative 24-hr IP of 42,225 BOE/d (56% oil)
2021 Development	• First 13 Voni wells, all ~2.5-mile laterals, expected to be online in early Q2 2021 • Second batch of Boros wells – including 3rd Bone Spring Carbonate test – expected to be turned to sales in late 2021

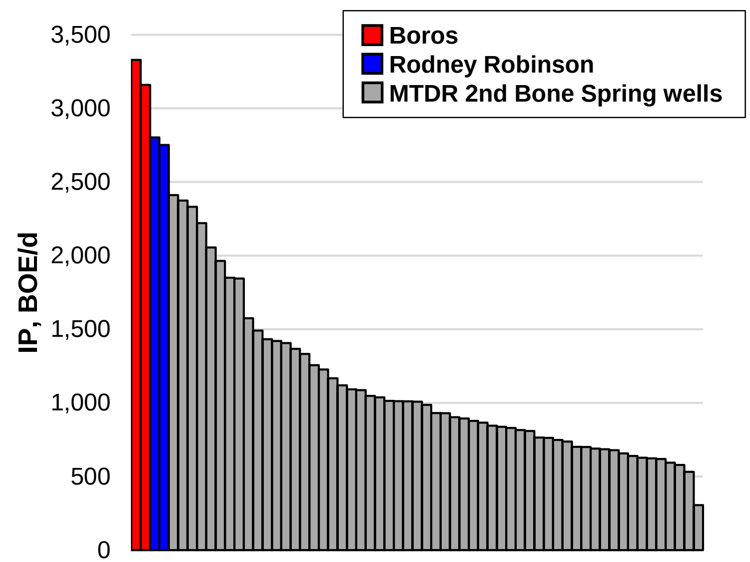
Initial Production Exceeds Expectations on Boros Wells

Planning to fully develop the 2nd Bone Spring and test the 1st Bone Spring with the first batch of Voni wells



1. ***#104H – 2,423 BOE/d (65% oil)***
2. ***#123H – 3,160 BOE/d (68% oil)***
3. ***#124H – 3,329 BOE/d (71% oil)***
4. ***#201H – 3,147 BOE/d (60% oil)***
5. ***#202H – 3,128 BOE/d (62% oil)***
6. ***#203H – 3,668 BOE/d (59% oil)***
7. ***#204H – 3,227 BOE/d (58% oil)***
8. ***#215H – 4,600 BOE/d (60% oil)***
9. ***#216H – 3,569 BOE/d (59% oil)***
10. ***#217H – 3,806 BOE/d (54% oil)***
11. ***#218H – 4,496 BOE/d (55% oil)***
12. ***#223H – 3,257 BOE/d (19% oil)***
13. ***#224H – 3,415 BOE/d (37% oil)***

Matador Best 2nd Bone Spring IP Tests!



All acreage as of June 30, 2020. Some tracts not shown on map.
Note: IP = initial potential.

Matador Federal Acreage and Permitting Update

Delaware Asset Area	County	Delaware Leasehold (*net acres*)	Federal Leasehold (*net acres*)	% of Total Delaware Leasehold
Antelope Ridge	Lea	16,300	8,500	7%
Rustler Breaks	Eddy	26,700	3,900	3%
Stateline	Eddy	2,800	2,800	2%
Arrowhead	Eddy	26,900	13,500	11%
Ranger	Lea	19,100	7,200	6%
Twin Lakes	Lea	24,500	400	—
Wolf/Jackson Trust	Loving	10,800	—	—
Other	—	500	—	—
TOTAL		**127,600**	**36,300**	**28%**

- *At June 30, 2020, Matador held approximately 127,600 net leasehold and mineral acres in the Delaware Basin in Eddy and Lea Counties, New Mexico and in Loving County, Texas, of which approximately 36,300 net acres, or about 28%, were on federal lands.*

Delaware Asset Area	County	Undrilled Permits Approved and Received	Undrilled Permits in Progress
Antelope Ridge (Rodney Robinson)(1)	Lea	19	2
Antelope Ridge (All other)	Lea	31	10
Arrowhead	Eddy	48	43
Ranger	Lea	23	6
Rustler Breaks	Eddy	28	35
Stateline (Boros)(1)	Eddy	31	—
Stateline (Voni)(1)	Eddy	30	1
TOTAL		**210**	**97**

(1) Does not include permits approved for eight Rodney Robinson, 13 Boros and 13 Voni wells that have already been drilled or are currently in progress..

- *At October 27, 2020, Matador had secured 210 federal drilling permits and has 97 additional permits currently under review by the BLM.*
- *Matador expects to have secured almost 300 approved permits to drill on its federal properties prior to the end of 2020.*

Wells Completed and Turned to Sales – Q3 2020

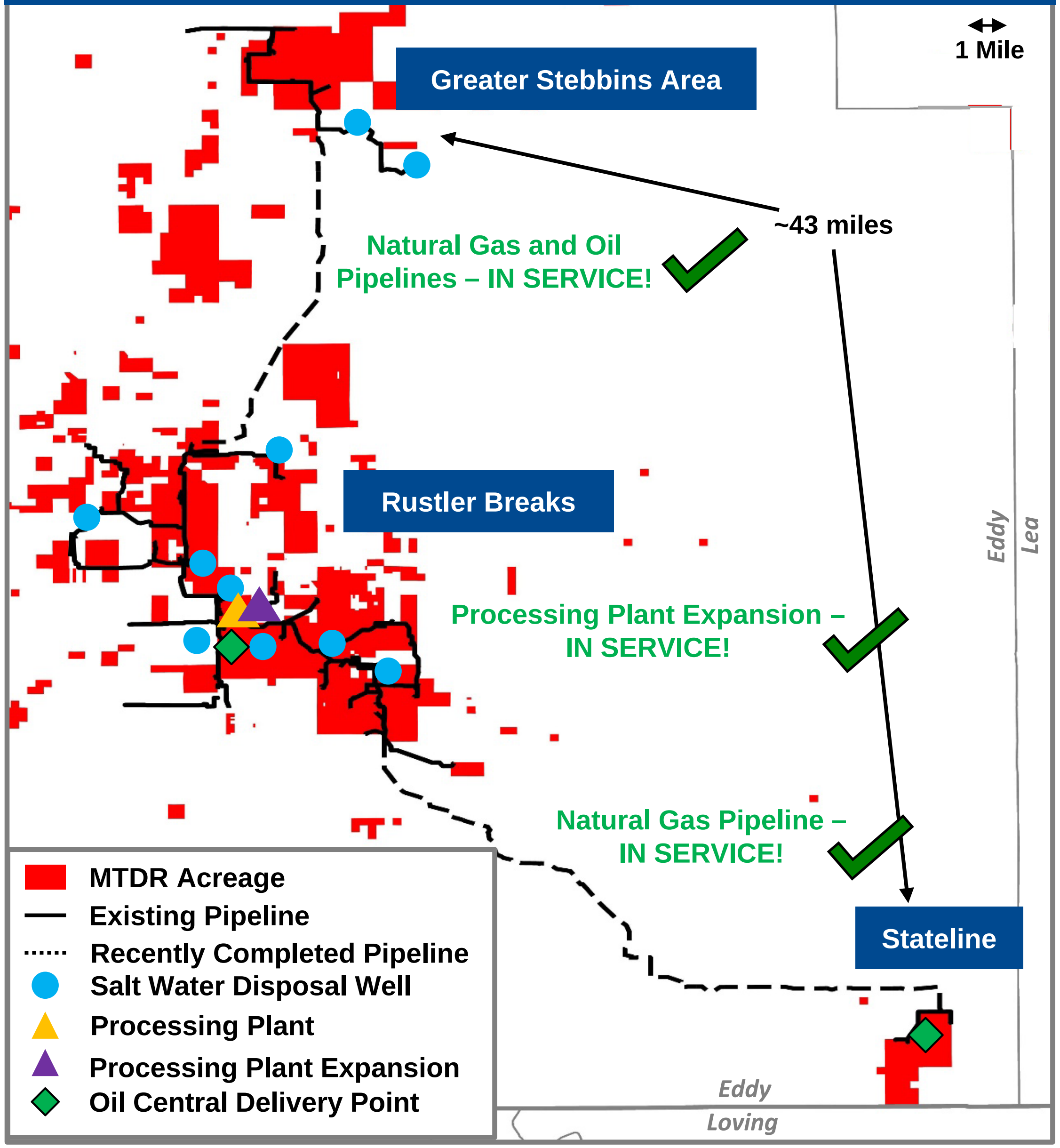
- **During Q3 2020, Matador completed and turned to sales 27 gross (19.3 net) wells in its various operating areas, including 20 gross (19.1 net) operated wells and 7 gross (0.2 net) non-operated wells.**
- **Of the 20 operated wells turned to sales, 18 were two-mile laterals and two were approximately 1.5-mile laterals (both in the Wolf asset area).**

	Operated		Non-Operated		Total		
Asset/Operating Area	Gross	Net	Gross	Net	Gross	Net	Gross Operated and Non-Operated Well Completion Intervals
Antelope Ridge	-	-	7	0.2	7	0.2	4-3BS, 3-WC A
Arrowhead	5	4.3	-	-	5	4.3	2-WC A, 2-3BS, 1-WC B
Ranger	-	-	-	-	-	-	No wells turned to sales in Q3 2020
Rustler Breaks	-	-	-	-	-	-	No wells turned to sales in Q3 2020
Stateline	13	13.0	-	-	13	13.0	8-WC A, 2-WC B, 2-2BS, 1-AV
Twin Lakes	-	-	-	-	-	-	No wells turned to sales in Q3 2020
Wolf/Jackson Trust	2	1.8	-	-	2	1.8	2-WC A
Delaware Basin	20	19.1	7	0.2	27	19.3	
South Texas	-	-	-	-	-	-	No wells turned to sales in Q3 2020
Haynesville Shale	-	-	-	-	-	-	No wells turned to sales in Q3 2020
Total	**20**	**19.1**	**7**	**0.2**	**27**	**19.3**	

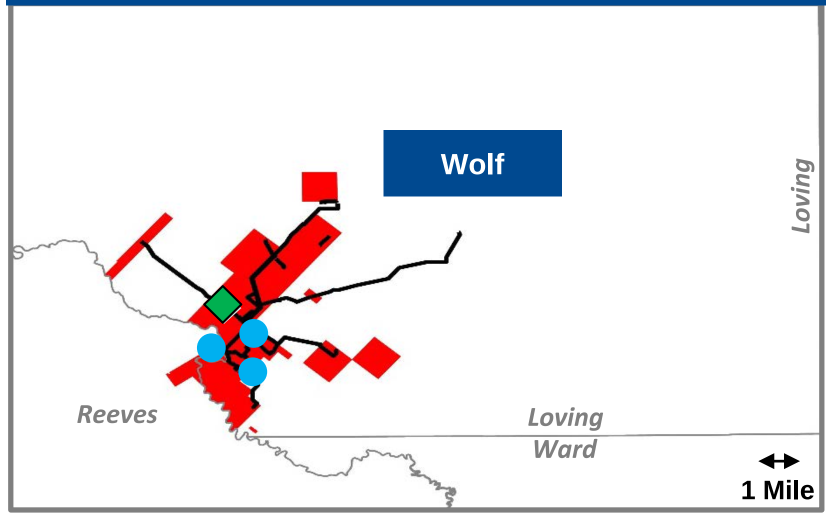
Note: WC = Wolfcamp; BS = Bone Spring; AV= Avalon. For example, 4-3BS indicates four Third Bone Spring completions and 8-WC A indicates eight Wolfcamp A completions. Any "0.0" values in the table above suggest a net working interest of less than 5%, which does not round to 0.1.

San Mateo[1] Assets and Operations – "Three-Pipe" Offering

Eddy County, NM Assets



Loving County, TX Assets



Natural Gas Gathering and Processing

- 460 MMcf/d of designed natural gas cryogenic processing capacity with completion of plant expansion

Water Gathering and Disposal

- 13 commercial salt water disposal wells and associated facilities with designed salt water disposal capacity of 335,000 Bbl/d

Oil Gathering

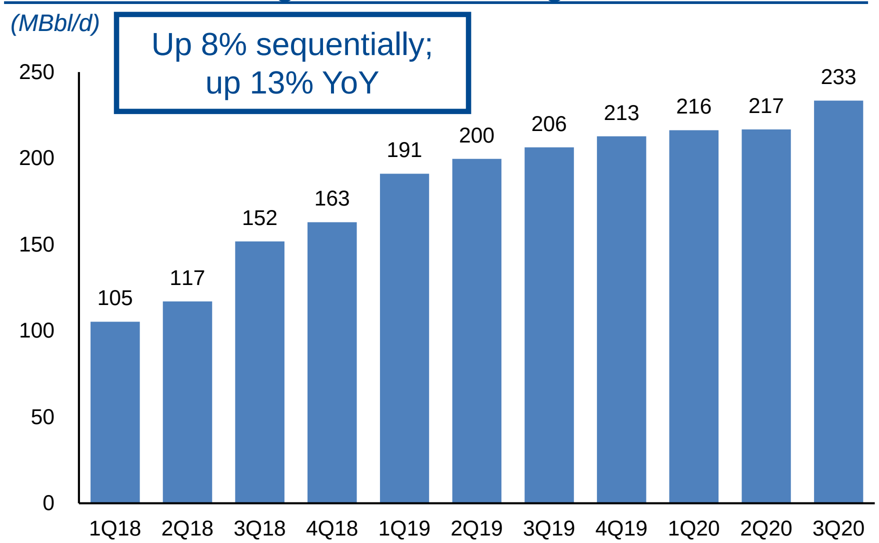
- ~400,000 acre joint development area with a subsidiary of Plains All American Pipeline, L.P. ("Plains") to gather Matador's and other producers oil in Eddy County, NM

Note: All acreage as of June 30, 2020. Some tracts not shown on map.

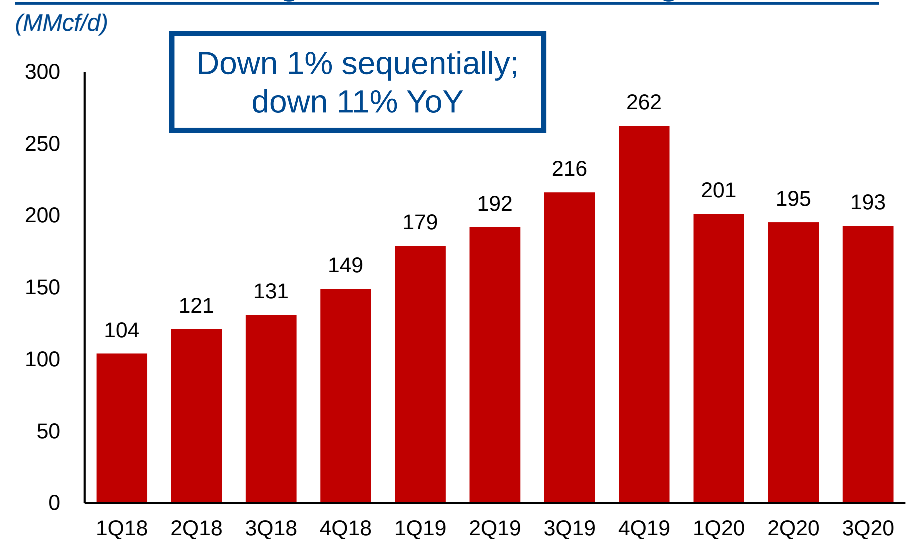
(1) Matador owns 51% of San Mateo.

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

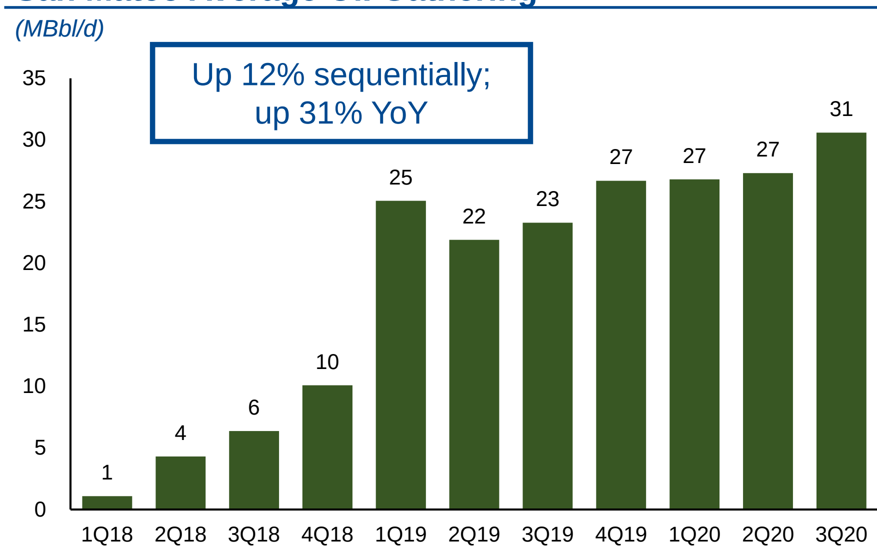
San Mateo Average Water Handling



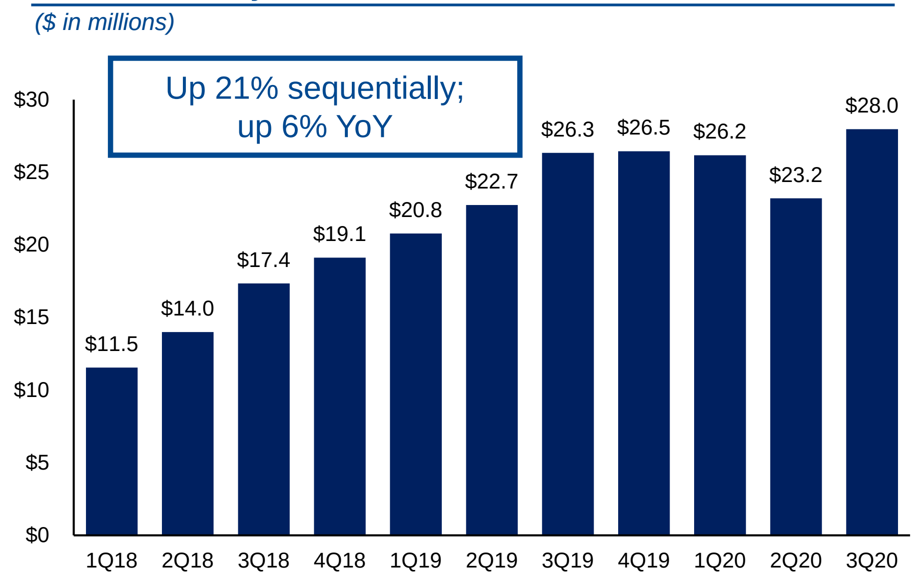
San Mateo Average Natural Gas Gathering[1]



San Mateo Average Oil Gathering



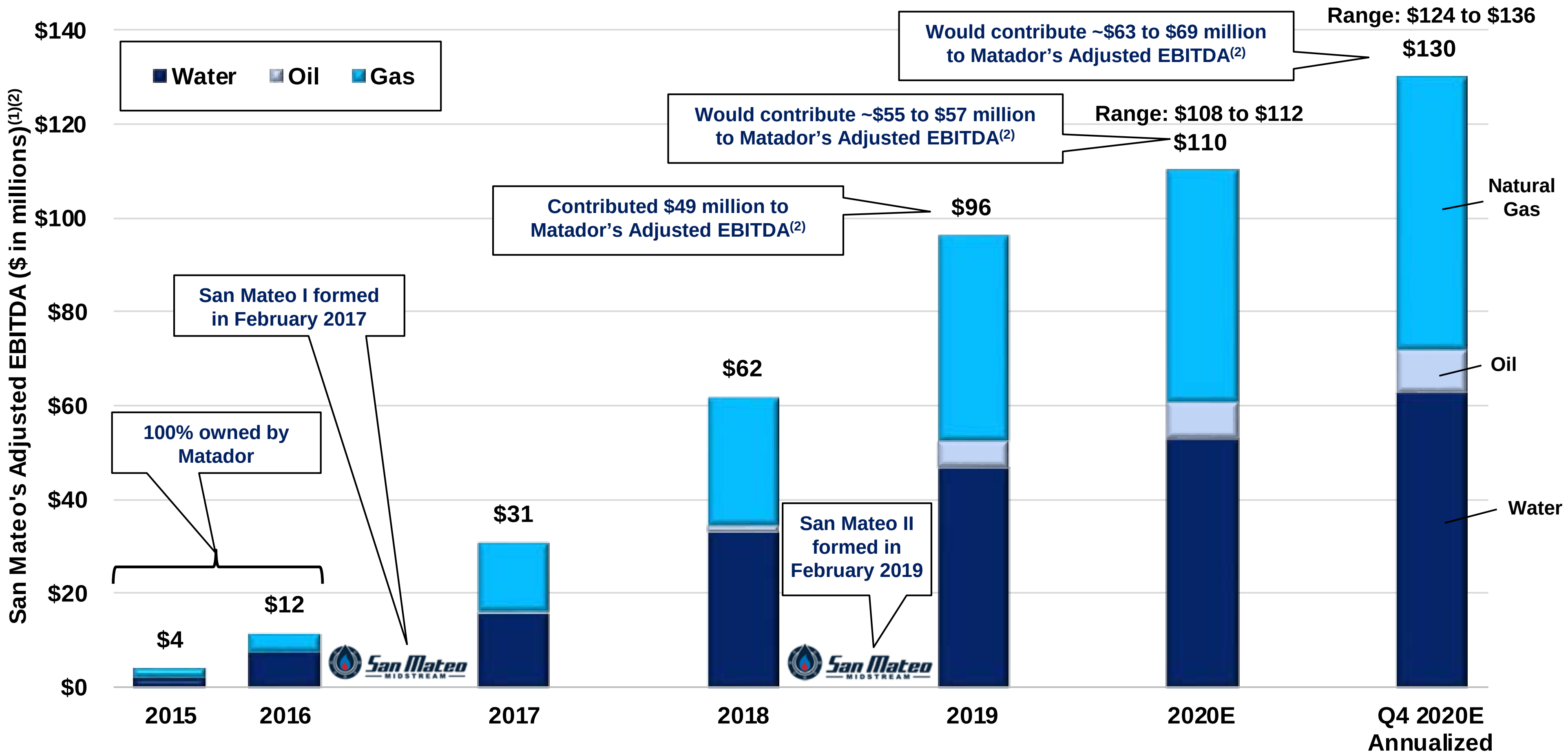
San Mateo Adjusted EBITDA[2]



(1) Natural gas gathering and processing volumes declined in Q1, Q2 and Q3 2020 as compared to Q4 2019, as anticipated, primarily as a result of reduced natural gas volumes being provided by a significant third-party customer.
(2) 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

- **October 2020** – Matador and Five Point(1) completed the successful merger of San Mateo I and San Mateo II into a single entity
- **Q3 2020** – San Mateo II expansion projects completed, including:
  - Expansion of the Black River Processing Plant to designed inlet capacity of 460 MMcf of natural gas per day
  - 43 miles of large-diameter natural gas pipelines connecting Stateline and the Greater Stebbins Area to the Black River Processing Plant
  - 19 miles of various diameter crude oil pipelines connecting the Greater Stebbins Area to existing interconnect with Plains in Eddy County, NM



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

(1) Five Point Energy LLC ("Five Point") is Matador's joint venture partner in San Mateo. Five Point owns 49% of San Mateo.

(2) 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 (loss) (GAAP) and net cash provided by operating activities (GAAP), see Appendix.

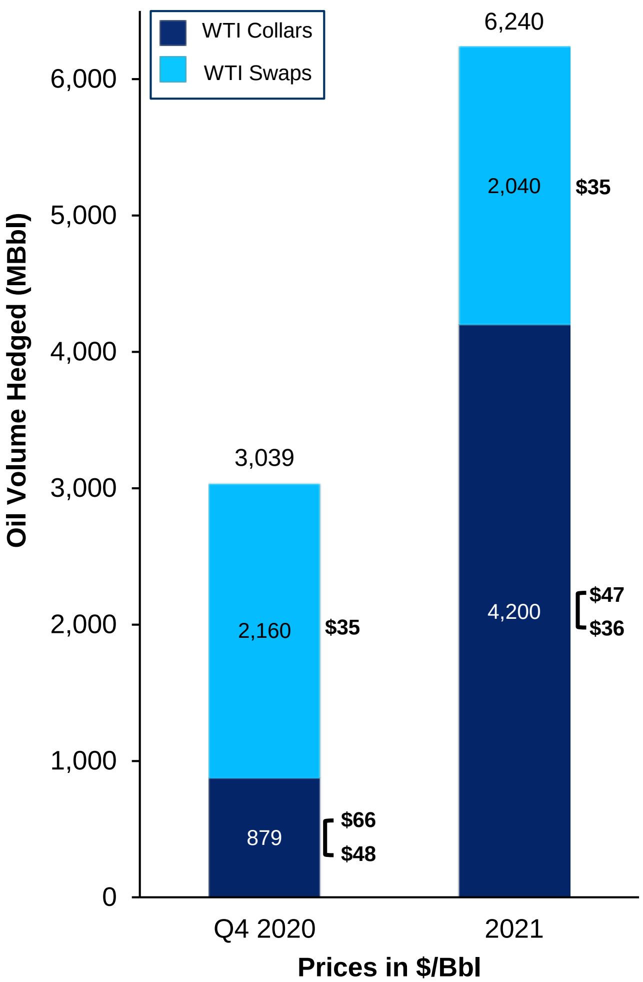
(3) Reflects the combined Adjusted EBITDA for San Mateo I and San Mateo II and includes allocations for general and administrative expenses.

(4) 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.

Hedging Profile – Remainder of 2020, 2021 and 2022[1]

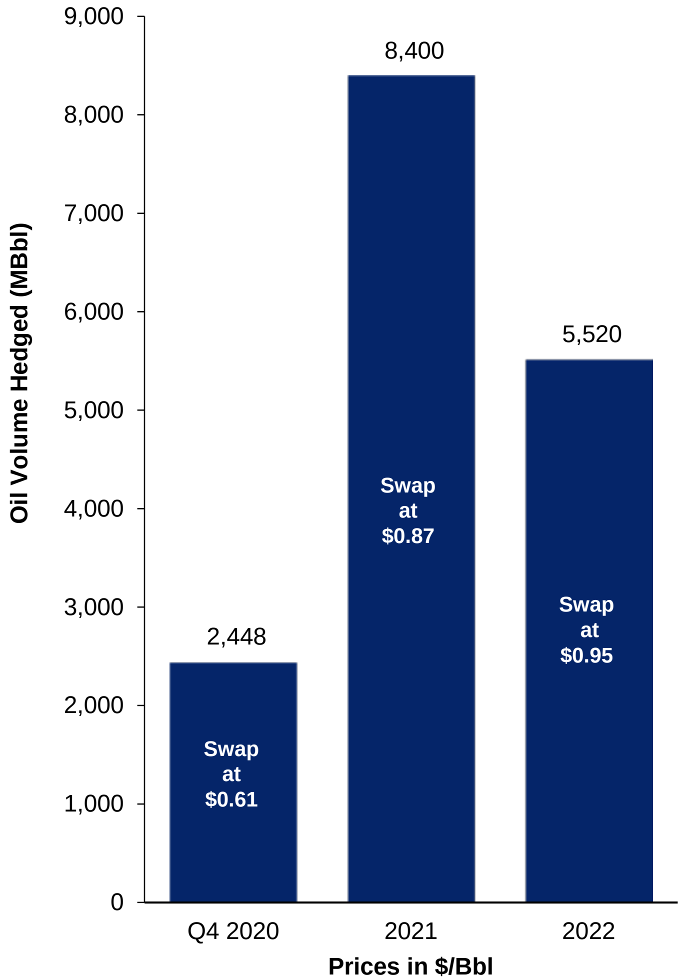
Oil Collars, Swaps, Puts

~70-75% hedged for Q4 2020



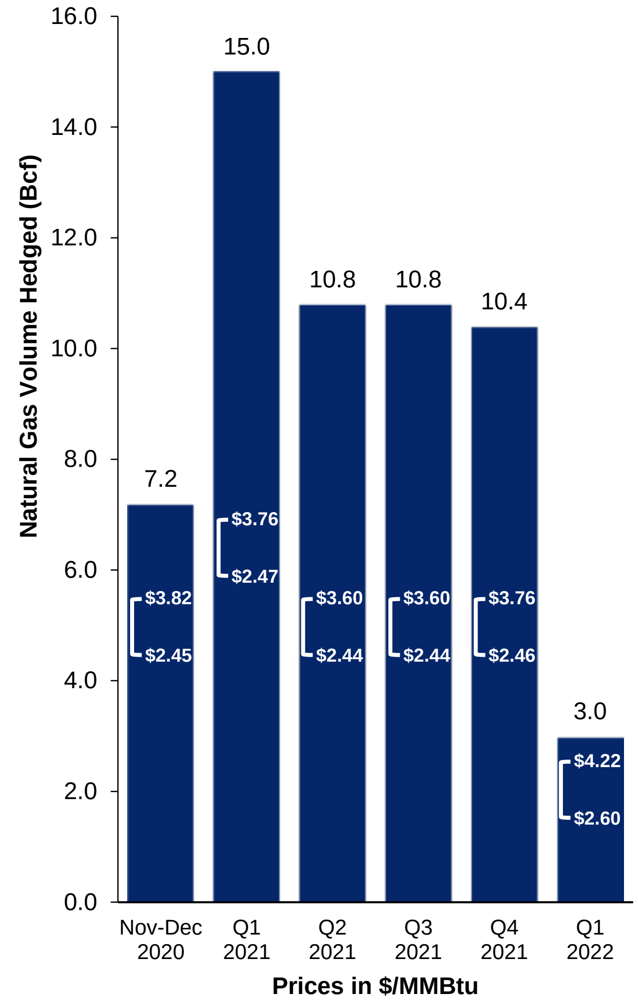
Midland-Cushing Basis Swaps

~60% hedged for Q4 2020



Natural Gas Collars

~60% hedged for Nov 2020 – Dec 2020



(1) As of September 30, 2020. Pro forma for hedging transactions through October 2020.



Updated Full Year 2020 Guidance

October 27, 2020

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Summary and Updated 2020 Guidance (as Provided on October 27, 2020)

- **Three rigs operating in the Delaware Basin during Q4 2020 – expect 53 gross (45.7 net) operated wells in 2020**
  - *Operating three rigs in the Delaware Basin during Q4 2020, two of which are anticipated to be operating in the Stateline asset area*
  - *Third rig is currently drilling four additional wells on the Rodney Robinson tract in the western portion of the Antelope Ridge asset area*
  - *Matador expects to complete and turn to sales five gross (2.7 net) operated wells in Q4 2020, all of which will be two-mile laterals in the Rustler Breaks asset area*
- **Non-operated drilling activity – expect 40 gross (2.2 net) wells in 2020, primarily in the Delaware Basin**
- **Production expected to increase in Q4 2020**
  - *Oil equivalent production expected to increase 8 to 10% sequentially in Q4 2020 as the first full quarter of production is realized from the Leatherneck wells and all of the initial 13 Boros wells*
  - *Oil and natural gas production are also expected to increase 8 to 10% sequentially in Q4 2020*

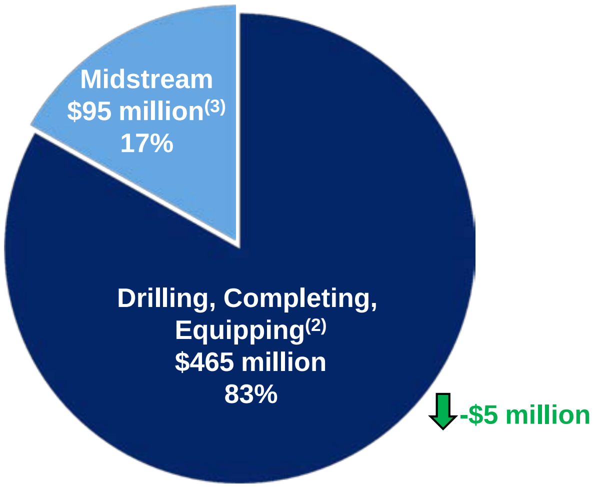
	Actual 2019 Results	*July 28, 2020 2020 Guidance(1)*	*%YoY Change(2)*	*Updated 2020 Guidance(3)*	*%YoY Change(4)*
Total Oil Production	14.0 million Bbl	15.35 to 15.65 million Bbl	+ 11%	15.7 to 15.8 million Bbl	+ 13%
Total Natural Gas Production	61.1 Bcf	65.5 to 68.5 Bcf	+ 10%	68.0 to 69.0 Bcf	+ 12%
Total Oil Equivalent Production	24.2 million BOE	26.3 to 27.1 million BOE	+ 10%	27.0 to 27.3 million BOE	+ 12%
D/C/E CapEx(5)	$671 million	$440 to $500 million	- 30%	$455 to $475 million	- 31%
San Mateo Midstream CapEx(6)	$77 million	$85 to $105 million	+ 23%	$90 to $100 million	+ 23%

(1) As of and as provided on July 28, 2020.
(2) Represents percentage change from 2019 actual results to the midpoint of previous 2020 guidance, as provided on July 28, 2020.
(3) As of and as provided on October 27, 2020.
(4) Represents percentage change from 2019 actual results to the midpoint of updated 2020 guidance, as provided on October 27, 2020.
(5) Capital expenditures associated with drilling, completing and equipping wells.
(6) Reflects Matador's proportionate share of capital expenditures for San Mateo, and accounts for remaining portions of the $50 million capital carry Five Point provided as part of the San Mateo II expansion.

Updated 2020 Capital Investment Plan Summary vs. Prior Guidance

Updated 2020 CapEx Guidance(1)(2)(3) – $560 million (down $5 million vs. Prior Guidance of $565 million(4))

(Delaware: Moved from 6 to 3 operated rigs by end of Q2 2020)



2020E Wells Turned to Sales

Prior Guidance(4)

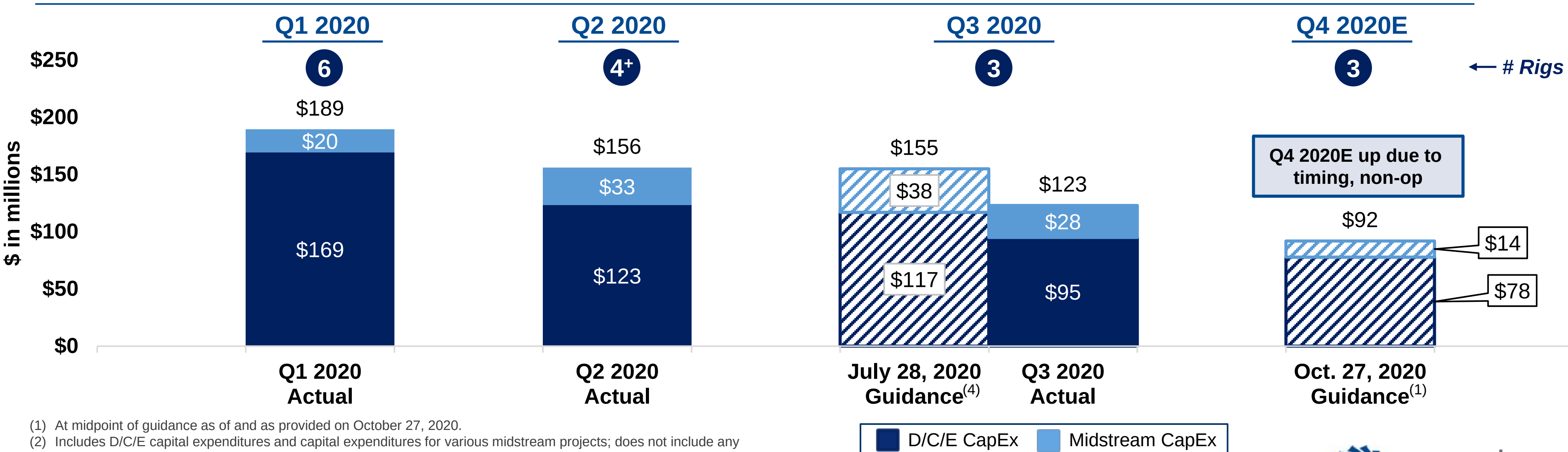
	Gross	Net
Operated	53	45.2
Non-Operated	40	1.9
Total	93	47.1

Updated Guidance(1)

	Gross	Net
Operated	53	45.7 ↑ +0.5
Non-Operated	40	2.2 ↑ +0.3
Total	93	47.9 ↑ +0.8

Updated 2020E CapEx(1)(2)(3) by Quarter

(Delaware: Moved from 6 to 3 operated rigs by end of Q2 2020)



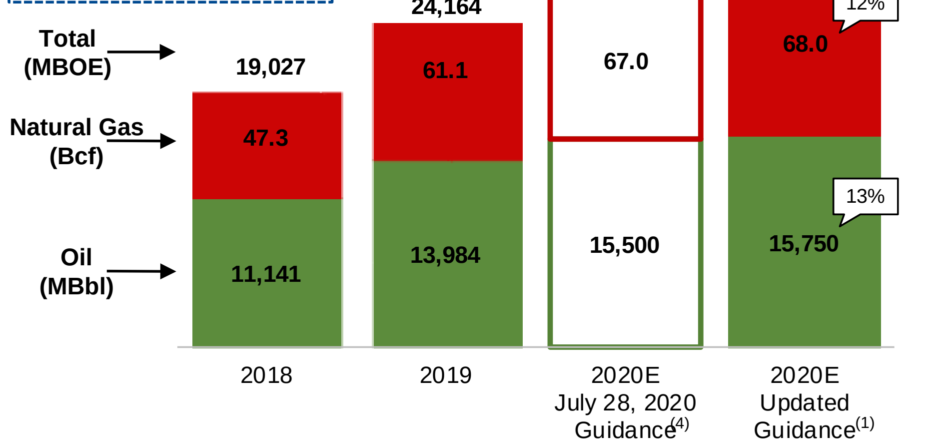
(1) At midpoint of guidance as of and as provided on October 27, 2020.
(2) Includes D/C/E capital expenditures and capital expenditures for various midstream projects; does not include any expenditures for land or seismic acquisitions.
(3) Reflects Matador's proportionate share of capital expenditures for San Mateo and accounts for the remaining portions of the $50 million capital carry Five Point provided as part of the San Mateo II expansion.
(4) At midpoint of guidance as of and as provided on July 28, 2020

Matador RESOURCES COMPANY

2020 Oil and Natural Gas Production Estimates(1)

Total Oil and Natural Gas Production

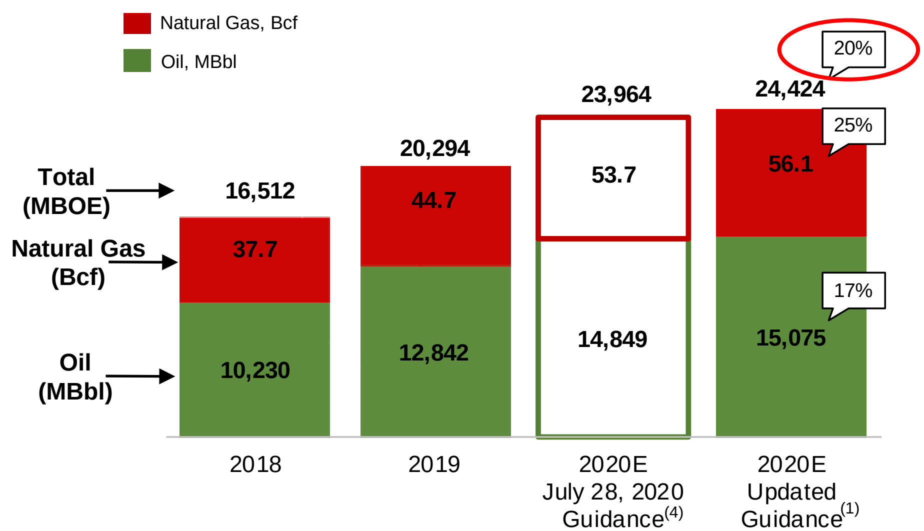
2020E CapEx(1)(2) (Midpoint):	
D/C/E:	$465 MM
Midstream(3):	$95 MM
Total:	$560 MM



2020E Oil Production – 13% Growth YoY

- Estimated oil production of 15.7 to 15.8 million barrels
  - 13% increase from 2019 to midpoint of updated 2020 guidance range
- Average daily oil production of 43,000 Bbl/d, up from 38,300 Bbl/d in 2019
  - Delaware Basin ~41,200 Bbl/d (96%) – up 17% YoY
- Q4 2020 expected to be up 8 to 10% sequentially

Delaware Oil and Natural Gas Production



2020E Gas Production – 12% Growth YoY

- Estimated natural gas production of 68.0 to 69.0 Bcf
  - 12% increase from 2019 to midpoint of updated 2020 guidance range
- Average daily natural gas production of 187.2 MMcf/d, up from 167.4 MMcf/d in 2019
  - Delaware Basin ~153.3 MMcf/d (82%) – up 25% YoY
  - Haynesville/Cotton Valley ~30.5 MMcf/d (16%) – down 23% YoY
- Q4 2020 expected to be up 8 to 10% sequentially

(1) At midpoint of 2020 guidance as of and as provided on October 27, 2020.
(2) Includes D/C/E capital expenditures and capital expenditures for various midstream projects; does not include any expenditures for land or seismic acquisitions.
(3) Reflects Matador's proportionate share of capital expenditures for San Mateo and accounts for the remaining portions of the $50 million capital carry Five Point provided as part of the San Mateo II expansion.
(4) At midpoint of 2020 guidance as of and as provided on July 28, 2020.

Wells Completed and Turned to Sales – 2020 Updated Guidance(1)

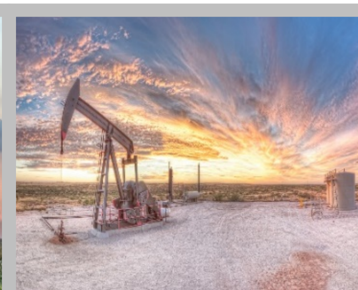
- **During full year 2020, Matador expects to complete and turn to sales 93 gross (47.9 net) wells. Matador expects the Delaware Basin to account for 89 gross (47.9 net) wells, including 53 gross (45.7 net) operated and 36 gross (2.2 net) non-operated wells.**
- **In 2020, Matador expects to continue transitioning its operations to longer laterals greater than one mile.**
  - *83% of Matador's gross operated horizontal wells completed and turned to sales in 2020 are expected to have lateral lengths greater than one mile, as compared to 29% in 2019 and 9% in 2018*
  - *74% of Matador's gross operated horizontal wells completed and turned to sales in 2020 are expected to have lateral lengths of two miles, as compared to 8% in 2019 and 1% in 2018*
  - *Matador estimates its average lateral length for operated wells turned to sales in 2020 should be approximately 8,800 feet*

	Operated		Non-Operated		Total		
Asset/Operating Area	Gross	Net	Gross	Net	Gross	Net	Gross Operated Well Completion Intervals
Antelope Ridge	6	5.4	15	0.3	21	5.7	1-1BS, 2-2BS, 1-3BS, 1-WC A-XY, 1-WC B
Western Antelope Ridge (Rodney Robinson)	6	6.0	-	-	6	6.0	2-AV, 2-2BS, 2-WC A-XY
Arrowhead	5	4.3	-	-	5	4.3	2-3BS, 2-WC A-XY, 1-WC B
Ranger	-	-	-	-	-	-	No Ranger completions in 2020
Rustler Breaks	13	7.8	21	1.9	34	9.7	1-1BS, 1-2BS, 1-3BS, 5-WC A-XY, 2-WC A-Lower, 3-WC B
Stateline	13	13.0	-	-	13	13.0	1-AV, 2-2BS, 4-WC A-XY, 4-WC A-Lower, 2-WC B
Twin Lakes	-	-	-	-	-	-	No Twin Lakes completions in 2020
Wolf/Jackson Trust	10	9.2	-	-	10	9.2	3-2BS, 1-3BS-Carb, 5-WC A-XY, 1-WC A-Lower
Delaware Basin	53	45.7	36	2.2	89	47.9	
Eagle Ford Shale	-	-	-	-	-	-	
Haynesville Shale	-	-	4	0.0	4	0.0	
Total	**53**	**45.7**	**40**	**2.2**	**93**	**47.9**	

Note: WC = Wolfcamp; BS = Bone Spring; BS-Carb = Bone Spring Carbonate; AV = Avalon. For example, 1-3BS-Carb indicates one Third Bone Spring Carbonate completion and 2-AV indicates two Avalon 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.
(1) As of and as provided on October 27, 2020.

Matador RESOURCES COMPANY

Matador RESOURCES COMPANY



Appendix

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Reaffirmed October 2020!

Matador Resources and San Mateo I Credit Facilities

Matador Credit Agreement Summary

Bank group led by Royal Bank of Canada

Facility Size	Maturity Date	Borrowing Base	Last Reserves Review	Elected Borrowing Commitment	Borrowings Outstanding at 9/30/2020	Letters of Credit Outstanding at 9/30/2020	Financial Covenant: Maximum Net Debt to Adjusted EBITDA(1)(2)
$1.5 billion	October 2023	$900 million	9/30/2020	$700 million	$475 million	$45 million	4.00:1.00

San Mateo I Credit Facility Summary

Bank group led by The Bank of Nova Scotia

Facility Size	Accordion Feature Expandable Up To	Borrowings Outstanding at 9/30/2020	Letters of Credit Outstanding at 9/30/2020	Financial Covenant: Maximum Net Debt to Adjusted EBITDA(3)	Financial Covenant: Minimum Interest Coverage Ratio
$375 million	$400 million	$326 million	$9 million	5.00:1.00	≥ 2.50x

Matador Credit Agreement 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

San Mateo I Credit Facility 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. For purposes of the Credit Agreement, 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.
(3) Adjusted EBITDA is a non-GAAP financial measure. Based on Adjusted EBITDA for San Mateo I. 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.

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 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 impairment. 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 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018
Unaudited Adjusted EBITDA reconciliation to Net (Loss) Income:												
Net (loss) income attributable to Matador Resources Company shareholders	$ (107,654)	$ (105,853)	$ 11,931	$ 104,154	$ 43,984	$ 28,509	$ 15,039	$ 38,335	$ 59,894	$ 59,806	$ 17,794	$ 136,713
Net (loss) income attributable to non-controlling interest in subsidiaries	(13)	106	116	155	1,916	3,178	2,940	4,106	5,030	5,831	7,321	7,375
Net (loss) income	(107,667)	(105,747)	12,047	104,309	45,900	31,687	17,979	42,441	64,924	65,637	25,115	144,088
Interest expense	7,197	6,167	6,880	7,955	8,455	9,224	8,550	8,336	8,491	8,004	10,340	14,492
Total income tax (benefit) provision	-	-	(1,141)	105	-	-	-	(8,157)	-	-	-	(7,691)
Depletion, depreciation and amortization	28,923	31,248	30,015	31,863	33,992	41,274	47,800	54,436	55,369	66,838	70,457	72,478
Accretion of asset retirement obligations	264	289	276	354	300	314	323	353	364	375	387	404
Full-cost ceiling impairment	80,462	78,171	-	-	-	-	-	-	-	-	-	-
Unrealized loss (gain) on derivatives	6,839	26,625	(3,203)	10,977	(20,631)	(13,190)	12,372	11,734	(10,416)	(1,429)	21,337	(74,577)
Stock-based compensation expense	2,243	3,310	3,584	3,224	4,166	7,026	1,296	4,166	4,179	4,766	4,842	3,413
Net (gain) loss on asset sales and impairment	(1,065)	(1,002)	(1,073)	(104,137)	(7)	-	(16)	-	-	-	196	-
Prepayment premium on extinguishment of debt	-	-	-	-	-	-	-	-	-	-	31,226	-
Consolidated Adjusted EBITDA	17,196	39,061	47,385	54,650	72,175	76,335	88,304	113,309	122,911	144,191	163,900	152,607
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	4	(115)	(125)	(164)	(2,216)	(3,683)	(3,471)	(4,690)	(5,657)	(6,853)	(8,508)	(9,368)
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$ 17,200**	**$ 38,946**	**$ 47,260**	**$ 54,486**	**$ 69,959**	**$ 72,652**	**$ 84,833**	**$ 108,619**	**$ 117,254**	**$ 137,338**	**$ 155,392**	**$ 143,239**

(In thousands)	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018
Unaudited Adjusted EBITDA reconciliation to												
Net Cash Provided by Operating Activities:												
Net cash provided by operating activities	$ 18,358	$ 31,242	$ 46,862	$ 37,624	$ 61,309	$ 59,933	$ 101,274	$ 76,609	$ 136,149	$ 118,059	$ 165,111	$ 189,205
Net change in operating assets and liabilities	(8,059)	1,944	(4,909)	9,215	2,455	7,198	(21,481)	36,886	(21,364)	18,174	(11,111)	(50,129)
Interest expense, net of non-cash portion	6,897	5,875	6,573	7,706	8,411	9,204	8,511	7,971	8,126	7,958	9,900	13,986
Current income tax (benefit) provision	-	-	(1,141)	105	-	-	-	(8,157)	-	-	-	(455)
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	4	(115)	(125)	(164)	(2,216)	(3,683)	(3,471)	(4,690)	(5,657)	(6,853)	(8,508)	(9,368)
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$ 17,200**	**$ 38,946**	**$ 47,260**	**$ 54,486**	**$ 69,959**	**$ 72,652**	**$ 84,833**	**$ 108,619**	**$ 117,254**	**$ 137,338**	**$ 155,392**	**$ 143,239**

Adjusted EBITDA Reconciliation Continued
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 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
Unaudited Adjusted EBITDA reconciliation to Net (Loss) Income:							
Net (loss) income attributable to Matador Resources Company shareholders	$ (16,947)	$ 36,752	$ 43,953	$ 24,019	$ 125,729	$ (353,416)	$ (276,064)
Net (loss) income attributable to non-controlling interest in subsidiaries	7,462	8,320	9,800	9,623	9,354	7,473	9,957
Net (loss) income	(9,485)	45,072	53,753	33,642	135,083	(345,943)	(266,107)
Interest expense	17,929	18,068	18,175	19,701	19,812	18,297	18,231
Total income tax (benefit) provision	(1,013)	12,858	13,490	10,197	39,957	(109,823)	26,497
Depletion, depreciation and amortization	76,866	80,132	92,498	101,043	90,707	93,350	88,025
Accretion of asset retirement obligations	414	420	520	468	476	495	478
Full-cost ceiling impairment	-	-	-	-	-	324,001	251,163
Unrealized loss (gain) on derivatives	45,719	(6,157)	(9,847)	24,012	(136,430)	132,668	13,033
Stock-based compensation expense	4,587	4,490	4,664	4,765	3,794	3,286	3,369
Net (gain) loss on asset sales and impairment	-	368	439	160	-	2,632	-
Prepayment premium on extinguishment of debt	-	-	-	-	-	-	-
Consolidated Adjusted EBITDA	135,017	155,251	173,692	193,988	153,399	118,963	134,689
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	(10,178)	(11,147)	(12,903)	(12,964)	(12,823)	(11,369)	(13,701)
Adjusted EBITDA attributable to Matador Resources Company shareholder	**$ 124,839**	**$ 144,104**	**$ 160,789**	**$ 181,024**	**$ 140,576**	**$ 107,594**	**$ 120,988**

(In thousands)	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
Unaudited Adjusted EBITDA reconciliation to							
Net Cash Provided by Operating Activities:							
Net cash provided by operating activities	$ 59,240	$ 135,257	$ 158,630	$ 198,915	$ 109,372	$ 101,013	$ 109,574
Net change in operating assets and liabilities	58,491	2,472	(2,488)	(23,958)	24,899	368	7,599
Interest expense, net of non-cash portion	17,286	17,522	17,550	19,031	19,128	17,582	17,516
Current income tax (benefit) provision	-	-	-	-	-	-	-
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	(10,178)	(11,147)	(12,903)	(12,964)	(12,823)	(11,369)	(13,701)
Adjusted EBITDA attributable to Matador Resources Company shareholder	**$ 124,839**	**$ 144,104**	**$ 160,789**	**$ 181,024**	**$ 140,576**	**$ 107,594**	**$ 120,988**

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:					
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 Operating Activities:					
Net cash provided by 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**	**3/31/2020**	**6/30/2020**	**9/30/2020**
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	$ 19,088	$ 15,252	$ 20,323
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	4,600	4,786	5,822
Interest expense	–	–	–	–	–	–	–	333	2,142	2,180	2,458	2,502	2,437	1,854	1,766
Accretion of asset retirement obligations	–	9	10	11	11	12	18	20	–	25	27	58	45	49	50
Net loss on impairment	–	–	–	–	–	–	–	–	–	–	–	–	–	1,261	-
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**	**$ 26,170**	**$ 23,202**	**$ 27,961**

	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**	**3/31/2020**	**6/30/2020**	**9/30/2020**
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	$ 25,244	$ 20,164	$ 24,795
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	(1,341)	1,354	1,477
Interest expense, net of non-cash portion	–	–	–	–	–	–	–	320	2,060	2,068	2,251	2,418	2,267	1,684	1,689
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**	**$ 26,170**	**$ 23,202**	**$ 27,961**

(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 (Loss) Income and Adjusted (Loss) Earnings Per Diluted Common Share

This presentation includes the non-GAAP financial measures of adjusted net (loss) income and adjusted (loss) earnings per diluted common share. These non-GAAP items are measured as net (loss) 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 (loss) income and adjusted (loss) 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 (loss) income and adjusted (loss) earnings per diluted common share to their most directly comparable GAAP measure of net (loss) income attributable to Matador Resources Company shareholders.

	Three Months Ended		
(In thousands, except per share data)	September 30, 2020	June 30, 2020	September 30, 2019
Unaudited Adjusted Net (Loss) Income and Adjusted (Loss) Earnings Per Share Reconciliation to Net (Loss) Income:			
Net (loss) income attributable to Matador Resources Company shareholders	$ (276,064)	$ (353,416)	$ 43,953
Total income tax provision (benefit)	26,497	(109,823)	13,490
(Loss) income attributable to Matador Resources Company shareholders before taxes	(249,567)	(463,239)	57,443
Less non-recurring and unrealized charges to (loss) income before taxes:			
Full-cost ceiling impairment	251,163	324,001	-
Unrealized loss (gain) on derivatives	13,033	132,668	(9,847)
Net loss on asset sales and impairment	-	2,632	439
Adjusted income (loss) attributable to Matador Resources Company shareholders before taxes	14,629	(3,938)	48,035
Income tax expense (benefit)(1)	3,072	(827)	10,087
Adjusted net income (loss) attributable to Matador Resources Company shareholders (non-GAAP)	**$ 11,557**	**$ (3,111)**	**$ 37,948**
Basic weighted average shares outstanding, without participating securities	116,155	116,071	115,721
Dilutive effect of participating securities	685	-	922
Weighted average shares outstanding, including participating securities - basic	116,840	116,071	116,643
Dilutive effect of options and restricted stock units	569	-	333
Weighted average common shares outstanding - diluted	117,409	116,071	116,976
Adjusted earnings (loss) per share attributable to Matador Resources Company shareholders (non-GAAP)			
Basic	**$ 0.10**	**$ (0.03)**	**$ 0.33**
Diluted	**$ 0.10**	**$ (0.03)**	**$ 0.32**

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