

2021 Operating Plan and Market Guidance

February 23, 2021

MTDR LISTED NYSE

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, the payment of dividends, 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.

2021 Priorities and Milestones

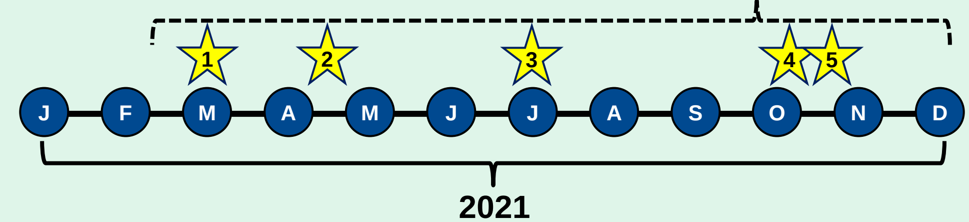
2021 Priorities

1. ***Deliver Free Cash Flow***
2. ***Initiate Dividend***
3. ***Pay Down Debt***
4. ***Focus on Development of Federal Properties***
5. ***Capital Efficiency Improvements***
6. ***Grow San Mateo Volumes and Revenues***
7. ***San Mateo Performance Incentives***
8. ***Proactive Hedging Strategy***

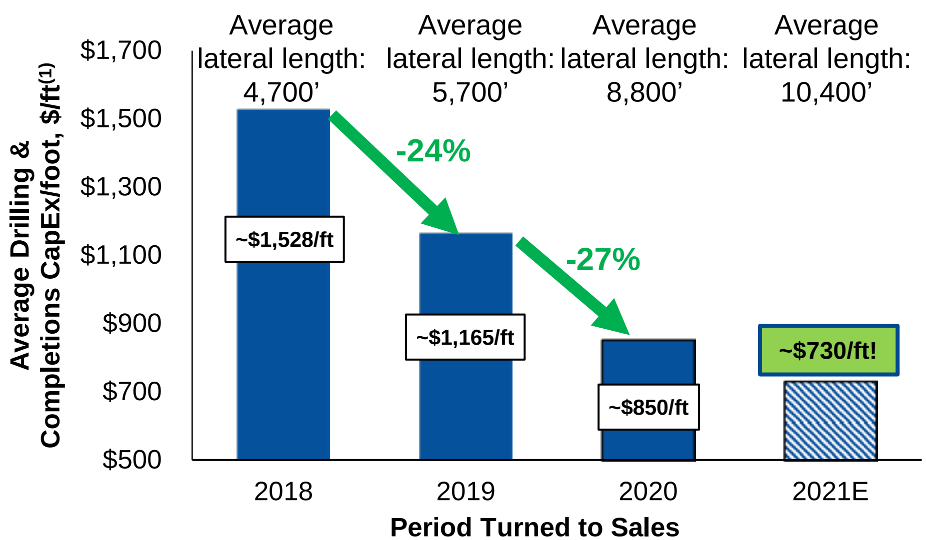
Significant 2021 Milestones - Timeline

1. 4 Rodney Robinson wells to sales
2. First 13 Voni (Stateline) wells to sales
3. 4 Greater Stebbins Area wells to sales
4. Remaining 9 Greater Stebbins Area wells to sales
5. Next 13 Boros (Stateline) wells to sales

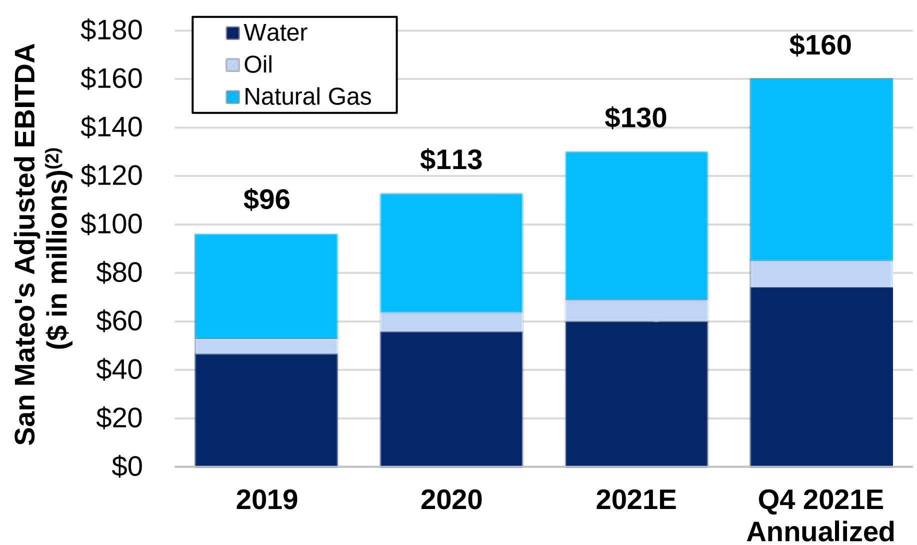
- Operating four rigs in Delaware Basin
- 26 more Stateline wells online by Q4 2021
- 98% of wells turned to sales expected to have laterals two miles or greater



Improved Capital Efficiency: D&C CapEx/ft



San Mateo Adjusted EBITDA[(2)] Growth



(1) Cost per completed lateral 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) 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.

Summary and 2021 Guidance (as Provided on February 23, 2021)

- **Four rigs operating in the Delaware Basin, beginning in March 2021 – expect 49 gross (45.6 net) operated wells in 2021**
  - *Two rigs anticipated to operate in the Stateline asset area throughout 2021*
  - *Other two rigs expected to operate in other parts of the Delaware Basin, including the Greater Stebbins Area, the Ranger asset area, the Wolf asset area and the Rodney Robinson leasehold in the western portion of the Antelope Ridge asset area*
  - *48 gross operated wells, or 98%, expected to have lateral lengths of two miles or greater and all 49 gross operated wells, or 100%, expected to have lateral lengths greater than one mile*
- **Capital efficiency continuing to improve(1)**
  - *In 2021, Matador's drilling and completion costs for operated horizontal wells turned to sales expected to average $730/ft, a decrease of ~14% from $850/ft in 2020 and a decrease of ~37% from $1,165/ft in 2019*
- **Non-operated drilling activity – expect 76 gross (7.0 net) wells in 2021, primarily in the Delaware Basin**
- **Production growth expected to continue to be "lumpy" on a quarterly basis, similar to 2020**
  - *Production is expected to increase sharply on a sequential basis in Q2 and Q4, while declining sequentially in Q1 and Q3*
  - *Oil production expected to be down 15 to 17% sequentially in Q1 2021 but up 8 to 10% YoY in Q4 2021*
  - *Natural gas production expected to be down 10 to 12% sequentially in Q1 2021 but up 8 to 10% YoY in Q4 2021*

Guidance Metric	*Actual 2020 Results*	*2021 Guidance*	*%YoY Change(2)*
Total Oil Production	15.9 million Bbl	17.2 to 17.8 million Bbl	+ 10%
Total Natural Gas Production	69.5 Bcf	76.0 to 79.0 Bcf	+ 12%
Total Oil Equivalent Production	27.5 million BOE	29.9 to 31.0 million BOE	+ 11%
D/C/E CapEx(3)	$450 million	$525 to $575 million	+ 22%
Midstream CapEx(4)	$89 million	$20 to $30 million	- 72%
Total D/C/E and Midstream CapEx	$539 million	$545 to $605 million	+ 7%

(1) Cost per completed lateral 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.
(2) Represents percentage change from 2020 actual results to the midpoint of 2021 guidance, as provided on February 23, 2021.
(3) Capital expenditures associated with drilling, completing and equipping wells.
(4) Primarily reflects Matador's proportionate share of capital expenditures for San Mateo Midstream, LLC ("San Mateo").

Matador Federal Acreage and Permitting Update

Delaware Basin Asset Area	County(1)	Delaware Basin Leasehold(2) (*net acres*)	Federal Leasehold (*net acres*)	Federal, as % of Delaware Basin Leasehold
Antelope Ridge	Lea	16,000	7,300	6%
Rustler Breaks	Eddy	26,200	1,600	1%
Stateline	Eddy	2,800	2,800	2%
Arrowhead	Eddy	26,800	14,000	11%
Ranger	Lea	18,400	8,400	7%
Twin Lakes	Lea	23,200	400	—
Wolf/Jackson Trust	Loving	10,800	—	—
Other	—	500	—	—
TOTAL		**124,700**	**34,500**	**28%**

(1) Lea and Eddy Counties are in New Mexico; Loving County is in Texas.
(2) At December 31, 2020.

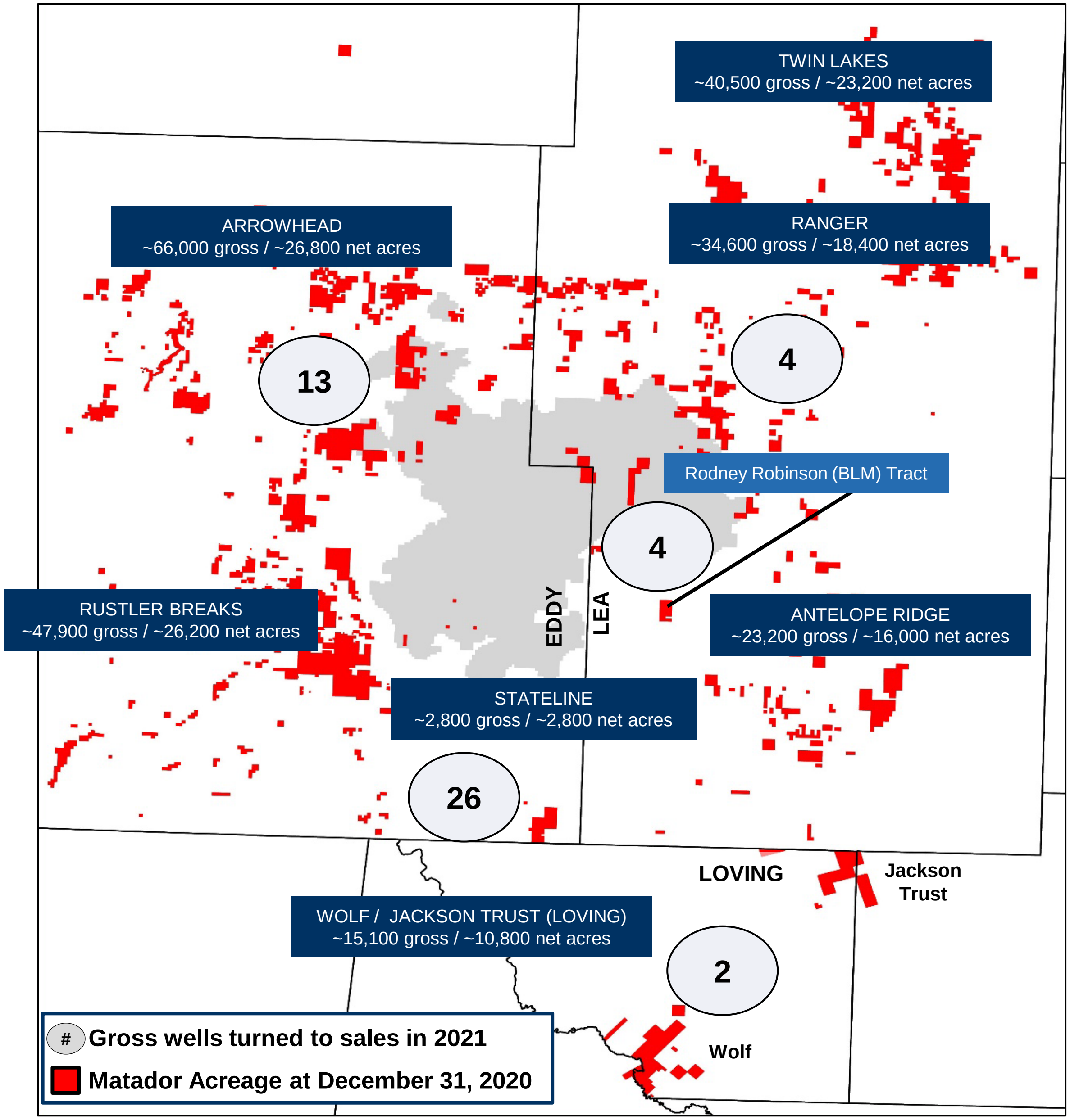
- *At December 31, 2020, Matador held approximately 124,700 net leasehold and mineral acres in the Delaware Basin in Eddy and Lea Counties, New Mexico and in Loving County, Texas, of which approximately 34,500 net acres, or about 28%, were on federal lands.*

Delaware Basin Asset Area	County	Undrilled Permits Approved and Received	Undrilled Permits in Progress
Antelope Ridge (Rodney Robinson(1))	Lea	18	1
Antelope Ridge (All other)	Lea	30	13
Arrowhead	Eddy	32	45
Ranger(1)	Lea	21	6
Rustler Breaks	Eddy	22	33
Stateline (Boros)(1)	Eddy	23	—
Stateline (Voni)(1)	Eddy	31	—
TOTAL		**177**	**98**

(1) Does not include permits approved for 10 Rodney Robinson, 21 Boros,13 Voni and two Uncle Ches (Ranger) wells that have recently been drilled or are in progress (total of 46 wells).

- *At February 23, 2021, Matador had secured 177 federal drilling permits and has 98 additional permits currently under review by the Bureau of Land Management.*
- *Since October 2020, Matador has received 3 new permits, used 12 total permits and 24 permits have expired – primarily one-mile laterals.*

Matador's 2021 Delaware Basin Operated Drilling Program



Rustler Breaks
- *3 gross (1.5 net) wells in progress for 2021*

Stateline
- *47 gross (47.0 net) wells in progress for 2021*
- *26 gross (26.0 net) wells turned to sales, including 3 Avalon, 3 1st Bone Spring, 6 2nd Bone Spring, 4 3rd Bone Spring Carbonate, 4 Wolfcamp A-XY, 4 Wolfcamp A-Lower and 2 Wolfcamp B wells*

Antelope Ridge
- *1 gross (0.6 net) wells in progress for 2021*

Rodney Robinson
- *13 gross (11.9 net) wells in progress for 2021*
- *4 gross (3.8 net) wells turned to sales, including 2 3rd Bone Spring and 2 Wolfcamp A-XY wells*

Wolf
- *2 gross (1.7 net) wells in progress for 2021*
- *2 gross (1.7 net) wells turned to sales, including 2 2nd Bone Spring wells*

Arrowhead
- *13 gross (11.4 net) wells in progress for 2021*
- *13 gross (11.4 net) wells turned to sales, including 4 2nd Bone Spring, 4 3rd Bone Spring, 4 Wolfcamp A-XY and 1 Wolfcamp B wells*

Ranger
- *4 gross (2.7 net) wells in progress for 2021*
- *4 gross (2.7 net) wells turned to sales, including 4 2nd Bone Spring wells*

Total Delaware Basin Operated Drilling Program
- *83 gross (76.8 net) wells in progress for 2021*
- ***49 gross (45.6 net) wells turned to sales, including 17 Wolfcamp, 29 Bone Spring and 3 Avalon wells***

Note: All acreage as of December 31, 2020. Some tracts not shown on map.

Wells Completed and Turned to Sales – 2021 Guidance[1]

- **During full year 2021, Matador expects to complete and turn to sales 125 gross (52.6 net) wells. Matador expects the Delaware Basin to account for 117 gross (52.3 net) wells, including 49 gross (45.6 net) operated and 68 gross (6.7 net) non-operated wells**
- **In 2021, Matador expects to continue transitioning its operations to longer laterals of two miles and greater**
  - *98% of Matador's gross operated horizontal wells completed and turned to sales in 2021 are expected to have lateral lengths of two miles or greater, as compared to 74% in 2020 and 8% in 2019*
  - *Matador estimates its average completed lateral length for operated wells turned to sales in 2021 should be ~10,400 feet*

Asset/Operating Area	Average Operated Lateral Length[2] (feet)	Operated		Non-Operated		Total		Gross Operated Well Completion Intervals
		Gross	Net	Gross	Net	Gross	Net	
Western Antelope Ridge (Rodney Robinson)	9,800	4	3.8	-	-	4	3.8	2-3BS, 2-WC A-XY
Antelope Ridge (All other)	-	-	-	20	1.4	20	1.4	No operated completions in 2021
Arrowhead	10,000	13	11.4	12	1.2	25	12.6	4-2BS, 4-3BS, 4-WC A-XY, 1-WC B
Ranger	9,800	4	2.7	8	1.3	12	4.0	4-2BS
Rustler Breaks	-	-	-	28	2.8	28	2.8	No operated completions in 2021
Stateline	10,900	26	26.0	-	-	26	26.0	3-AVLN, 3-1BS, 6-2BS, 4-3BSC, 4-WC A-XY, 4-WC A-Lower, 2-WC B
Twin Lakes	-	-	-	-	-	-	-	No completions in 2021
Wolf/Jackson Trust	8,300	2	1.7	-	-	2	1.7	2-2BS
Delaware Basin	10,400	49	45.6	68	6.7	117	52.3	
Eagle Ford Shale	-	-	-	-	-	-	-	No completions in 2021
Haynesville Shale	-	-	-	8	0.3	8	0.3	No operated completions in 2021
Total	**10,400**	**49**	**45.6**	**76**	**7.0**	**125**	**52.6**	

Note: AVLN = Avalon; WC = Wolfcamp; BS = Bone Spring; BSC = Bone Spring Carbonate. For example, 2-3BS indicates two Third Bone Spring completions and 2-WC A-XY indicates two Wolfcamp A-XY 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 February 23, 2021.
(2) Average completed lateral length for all Matador-operated horizontal wells expected to be turned to sales in 2021.

2021 Capital Investment Plan Summary(1)

Full Year 2021E CapEx(2) – $545 to $605 million

(Delaware: Adding 4th operated rig by end of Q1 2021)

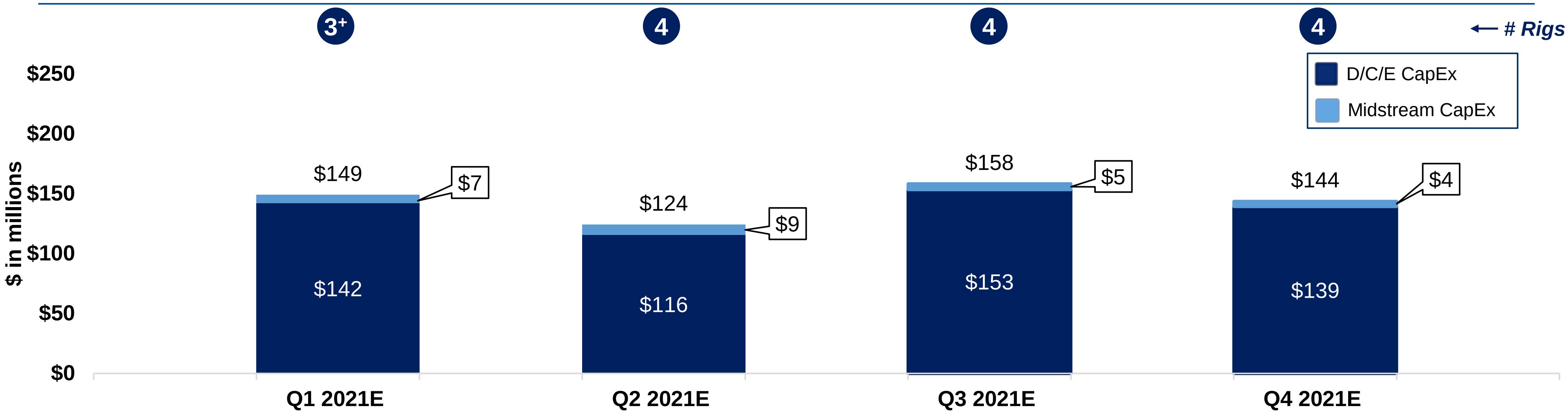
	CapEx Guidance Range
Drilling, Completing, Equipping	**$525 to $575 million**
Operated D/C/E (New Wells)	$417 to $455 million
Non-Op	$55 to $61 million
Artificial Lift / Other	$36 to $40 million
Capitalized G&A and Interest	$17 to $19 million
Midstream(3)	**$20 to $30 million**
Full Year 2021 CapEx(2)	**$545 to $605 million**

2021E Wells Turned to Sales

	Gross	Net
Operated	49	45.6
Non-Operated	76	7.0
Total	125	52.6

2021E CapEx(2)(3) by Quarter

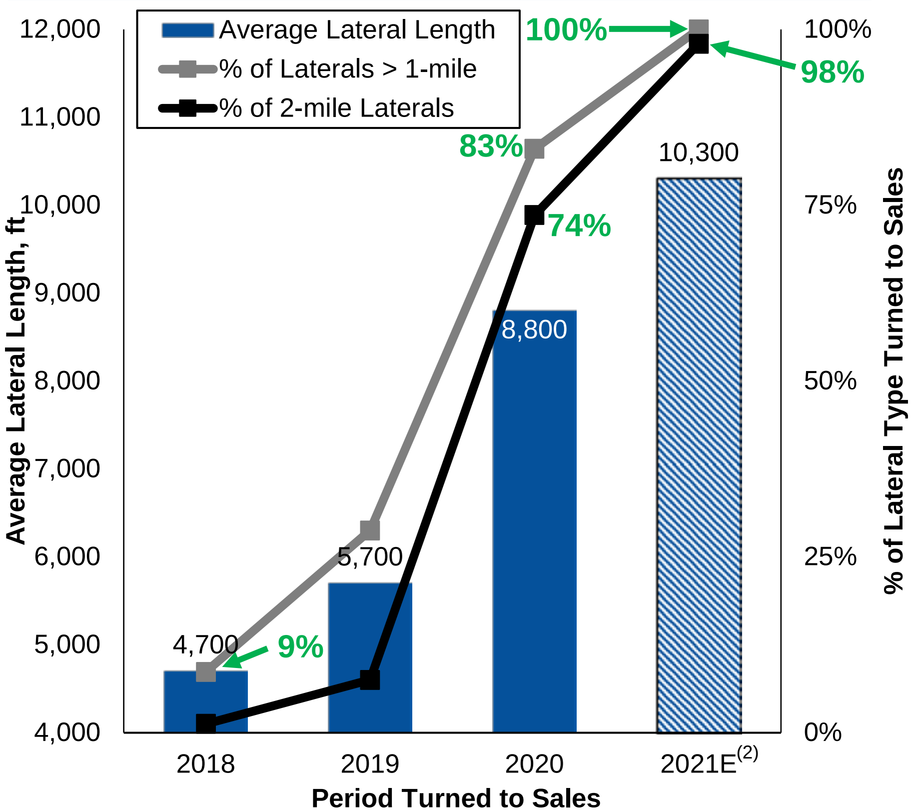
(Figures at midpoint of $545 to $605 million guidance range)



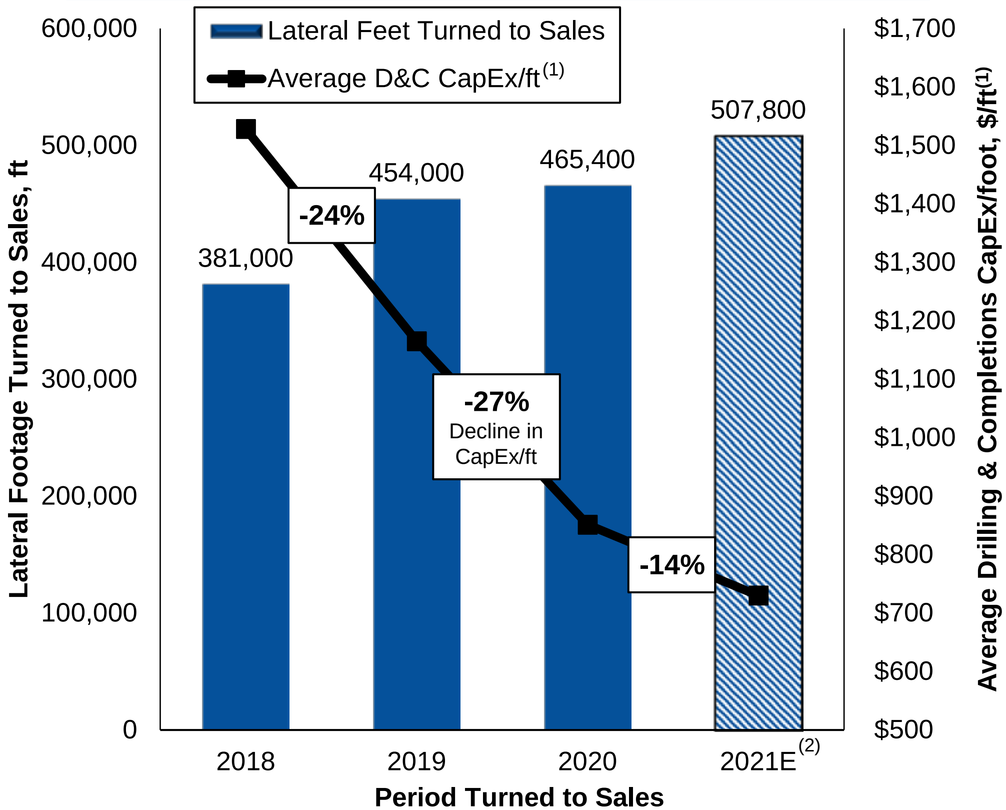
(1) As of and as provided on February 23, 2021.
(2) Includes D/C/E capital expenditures and capital expenditures for various midstream projects; does not include any expenditures for land or seismic acquisitions.
(3) Reflects Matador's proportionate share of capital expenditures for San Mateo.

A Step Change in Capital Efficiency:
Record Low Costs in 2020 → Even Lower in 2021E

Average Lateral Length and % of Longer Laterals



CapEx per Foot(1) and Lateral Footage Turned to Sales



- By combining longer laterals with increased pad development, Matador significantly reduced development costs per foot between 2018 and 2020, and expects to continue to do so in 2021
- 98% of laterals in 2021 expected to be two miles or greater, as compared to 74% in 2020 and only one in 2018
- In 2020, Matador's drilling and completion costs for operated horizontal wells turned to sales averaged $850/ft, a decrease of ~27% from an average of $1,165/ft achieved in full year 2019 and a decrease of ~44% from an average of $1,528/ft achieved in full year 2018
- In 2021, Matador's drilling and completion costs for operated horizontal wells turned to sales expected to average $730/ft, a decrease of ~14% from full year 2020 and a decrease of ~37% from full year 2019

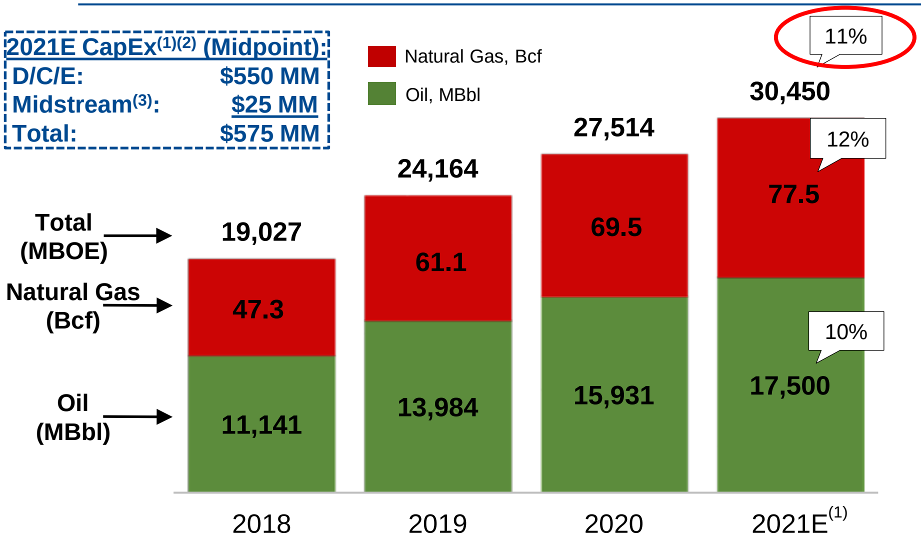
Note: All footage and percentage of lateral types shown are based on gross operated horizontal wells.
(1) Cost per completed lateral foot metric shown represents the drilling and completion (D&C) portion of well costs only. Excludes costs to equip wells, midstream capital expenditures, capitalized G&A or interest expenses and certain other capital expenditures.
(2) As of and as provided on February 23, 2021.

2021 Oil and Natural Gas Production Estimates(1)

Total Oil and Natural Gas Production

2021E CapEx(1)(2) (Midpoint):

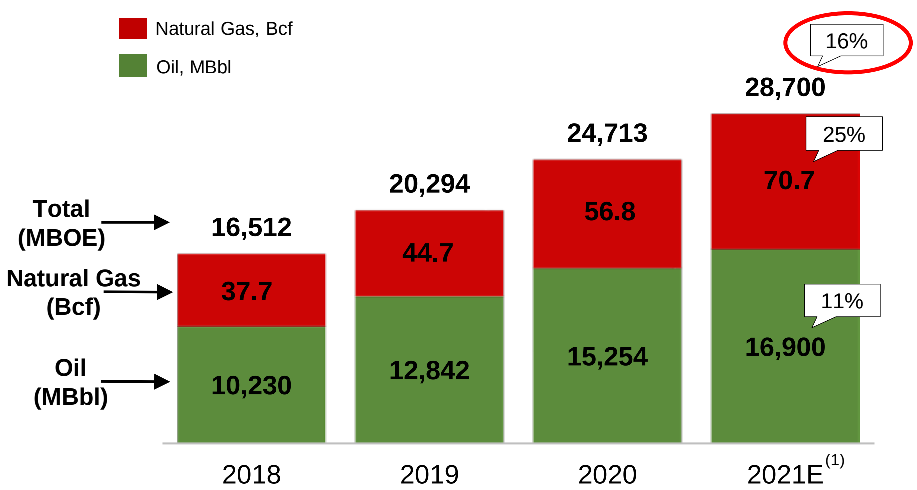
D/C/E:	$550 MM
Midstream(3):	$25 MM
Total:	$575 MM



2021E Oil Production – 10% Growth YoY

- Estimated oil production of 17.2 to 17.8 million barrels
  - 10% increase from 2020 to midpoint of 2021 guidance range
- Average daily oil production of 47,900 Bbl/d, up from 43,500 Bbl/d in 2020
  - Delaware Basin ~46,300 Bbl/d (97%) – up 11% YoY
- Q4 2021 expected to be up 8 to 10% YoY

Delaware Oil and Natural Gas Production



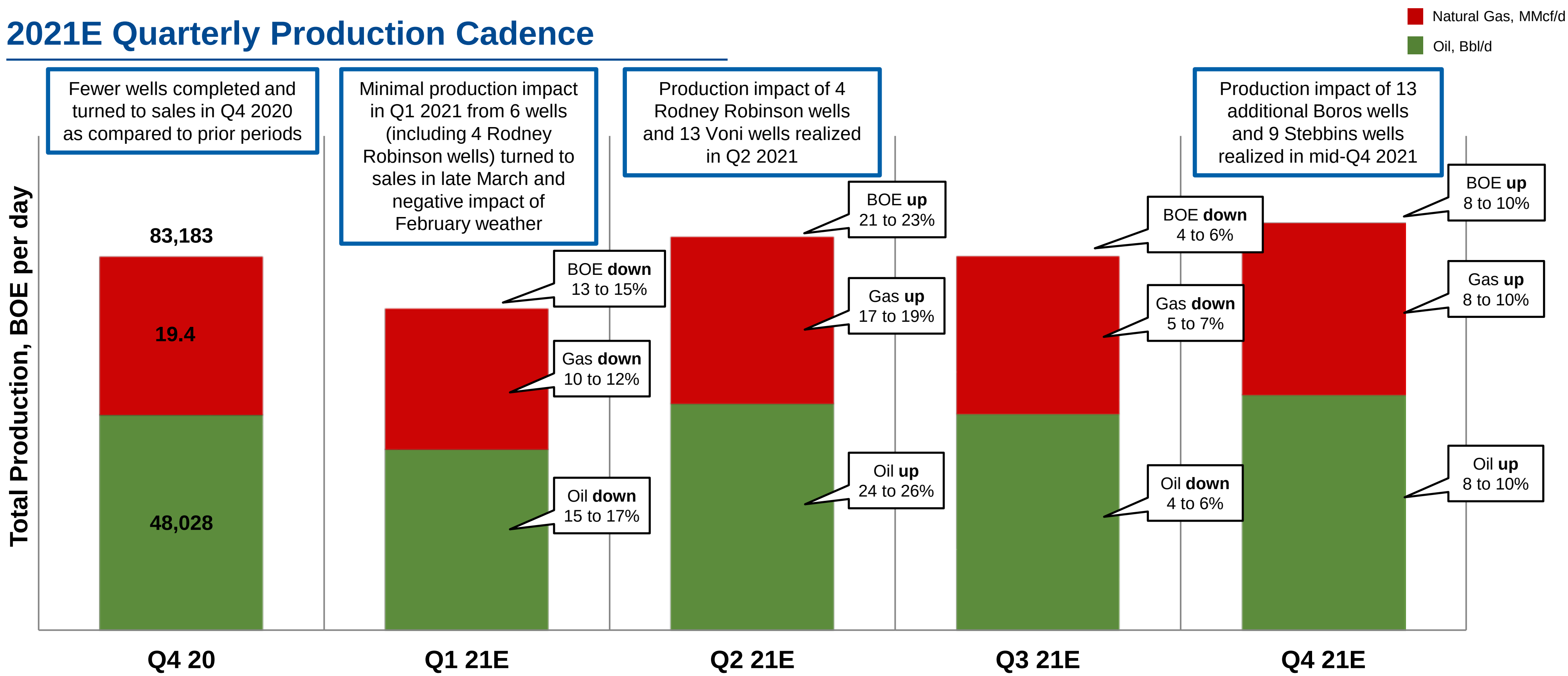
2021E Natural Gas Production – 12% Growth YoY

- Estimated natural gas production of 76.0 to 79.0 Bcf
  - 12% increase from 2020 to midpoint of 2021 guidance range
- Average daily natural gas production of 212 MMcf/d, up from 190 MMcf/d in 2020
  - Delaware Basin ~194 MMcf/d (91%) – up 25% YoY
- Q4 2021 expected to be up 8 to 10% YoY

(1) At midpoint of 2021 guidance as of and as provided on February 23, 2021.
(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.

2021 Total Production Forecast by Quarter(1)

2021E Quarterly Production Cadence



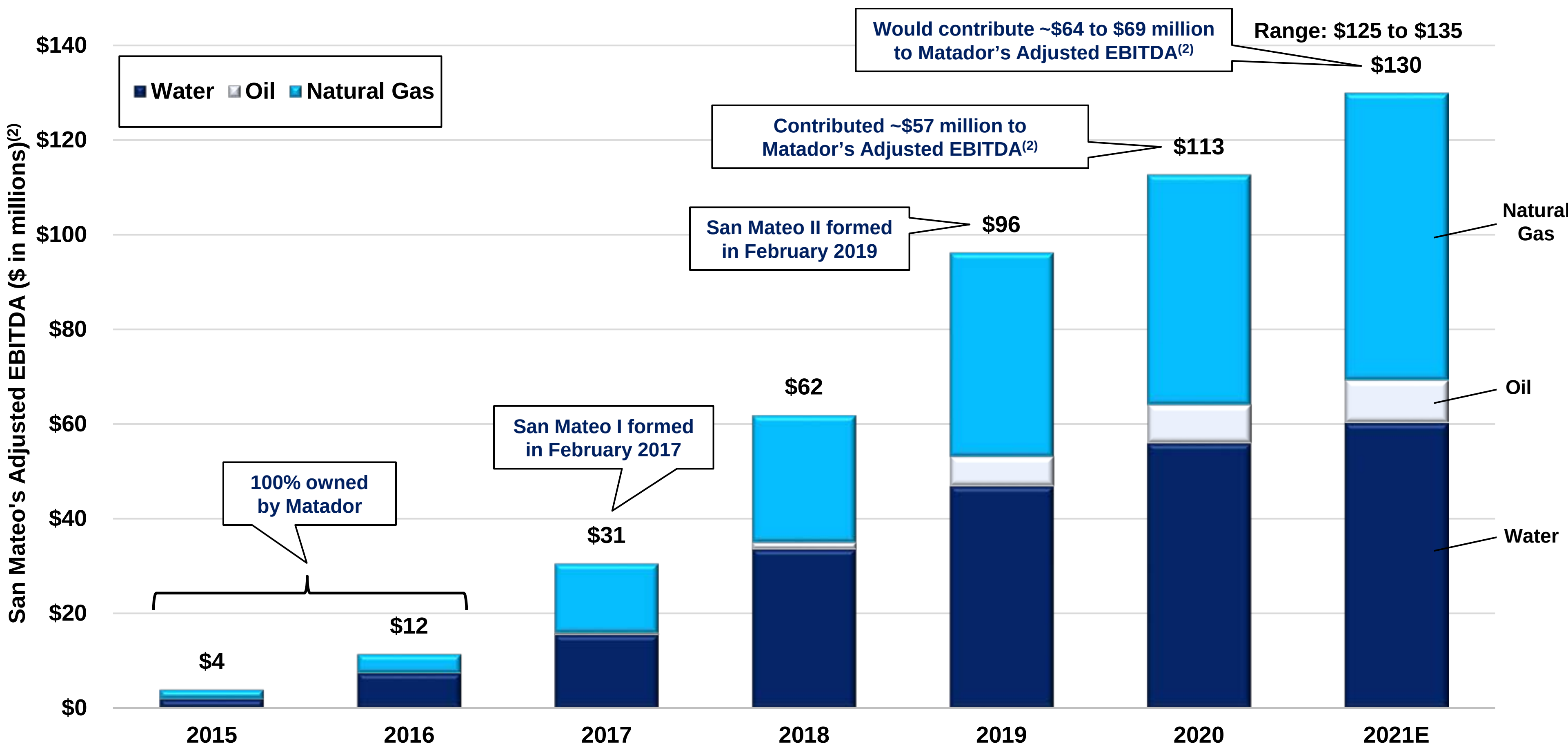
2021E Cadence of Wells Turned to Sales

	Q4 2020	Q1 2021E	Q2 2021E	Q3 2021E	Q4 2021E
Operated	5 gross (2.6 net)	6 gross (5.1 net)	15 gross (14.7 net)	4 gross (3.5 net)	24 gross (22.3 net)
Non-Operated	9 gross (1.7 net)	17 gross (1.3 net)	18 gross (1.2 net)	23 gross (3.3 net)	18 gross (1.2 net)
Total	14 gross (4.3 net)	23 gross (6.4 net)	33 gross (15.9 net)	27 gross (6.8 net)	42 gross (23.5 net)

(1) As of and as provided on February 23, 2021.

San Mateo – Recent Performance & 2021 Adjusted EBITDA[1] Estimate

- **October 2020** – Matador and Five Point[1] completed the successful merger of San Mateo I and San Mateo II into a single entity
- **2H 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 (i) reflect the combined Adjusted EBITDA for San Mateo I and San Mateo II prior to their October 2020 merger, including allocations for general and administrative expenses, (ii) are 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 and (iii) exclude assets sold to EnLink in October 2015. Matador owns 51% of San Mateo.

(1) A subsidiary of Five Point Energy LLC ("Five Point") is Matador's joint venture partner in San Mateo. Matador and Five Point own 51% and 49%, respectively, 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.

2021E Operating Cost Estimates (Unit Costs per BOE)

- **Matador provides the following estimated ranges for its 2021 unit operating costs as shown below**

	2020	2021E
1 Production taxes, transportation and processing (“PTTP”)	$3.39	$4.25 to $4.75
2 Lease operating (“LOE”)	$3.81	$3.50 to $4.00
3 Plant and other midstream services operating	$1.51	$2.00 to $2.50
4 Depletion, depreciation and amortization (“DD&A”)	$13.15	$11.50 to $13.00
5 General and administrative (“G&A”)	$2.27	$2.25 to $2.75
Total operating expenses(1)	$24.13	$23.50 to $27.00
PTTP + LOE + G&A	$9.47	$10.00 to $11.50

- **All unit costs expected to be at higher end of range in Q1 2021 as a result of decreased production volumes and the impact of the prolonged period of cold weather in February 2021 – see slide 11**

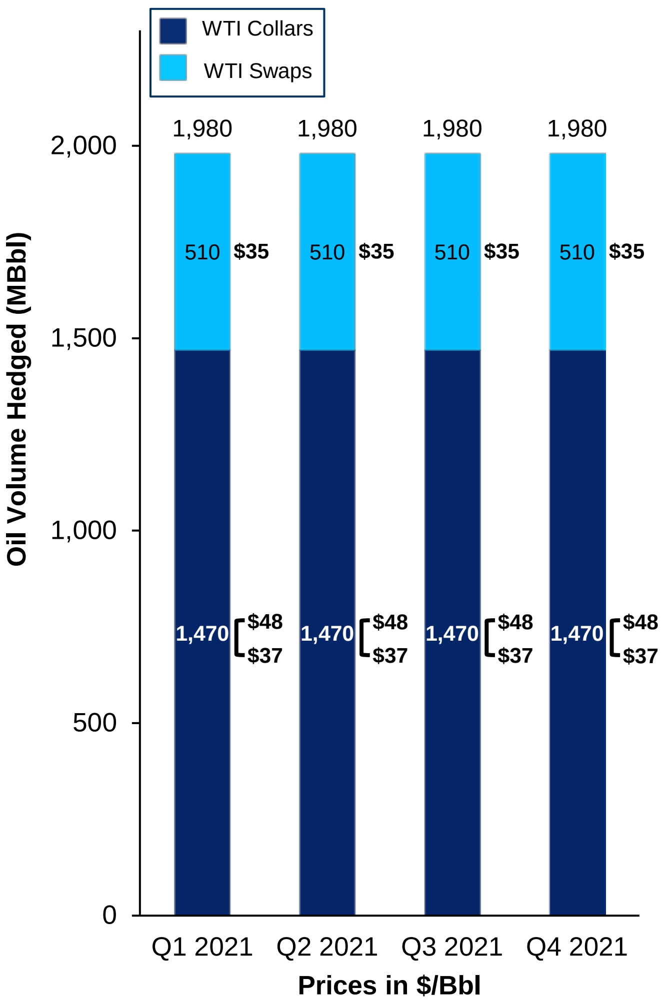
1. **PTTP range reflects increased production volumes and increased production taxes attributable to higher expected commodity prices oil and natural gas revenues in 2021, as compared to 2020**
2. **LOE range reflects anticipated increase in workover activity and service costs in 2021, as compared to 2020**
   - *Q1 2021 also particularly impacted by the prolonged period of cold weather in February 2021*
3. **Reflects expected increase in midstream operating expenses primarily attributable to San Mateo expansion projects completed in Q3 2020**
4. **DD&A range reflects anticipated increase in drilling and completion costs beginning Q2 2021**
5. **G&A range reflects restoration of compensation to prior levels beginning in March 2021 following 2020 reductions**

Note: As of and as provided on February 23, 2021.
(1) Total does not include the impact of purchased natural gas or immaterial accretion expense.

Hedging Profile – Remainder of 2021 and 2022(1)

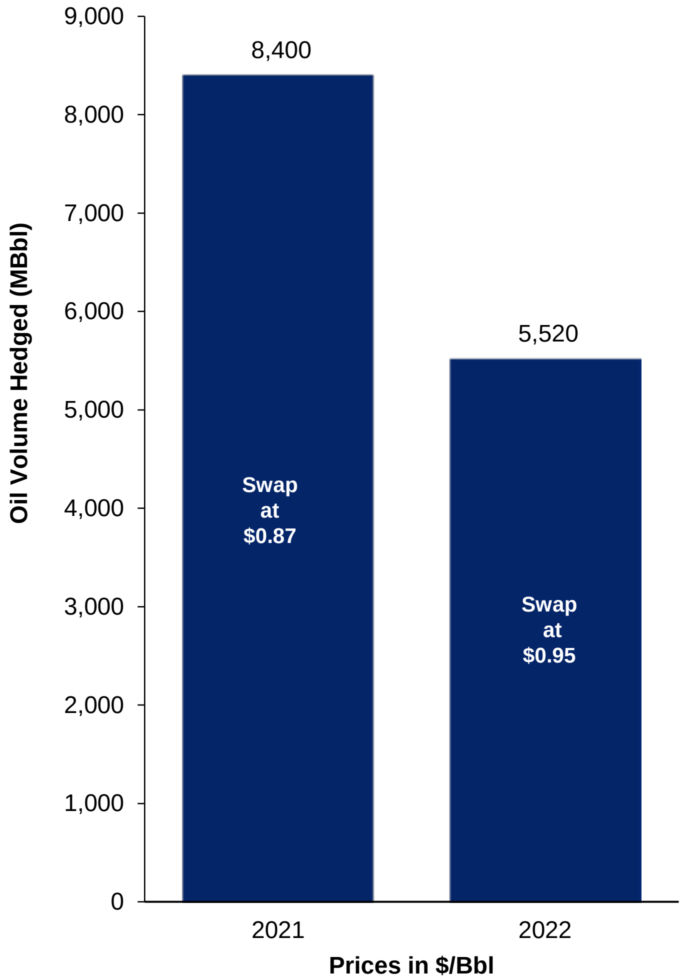
Oil Collars, Swaps, Puts

~45% hedged for 2021



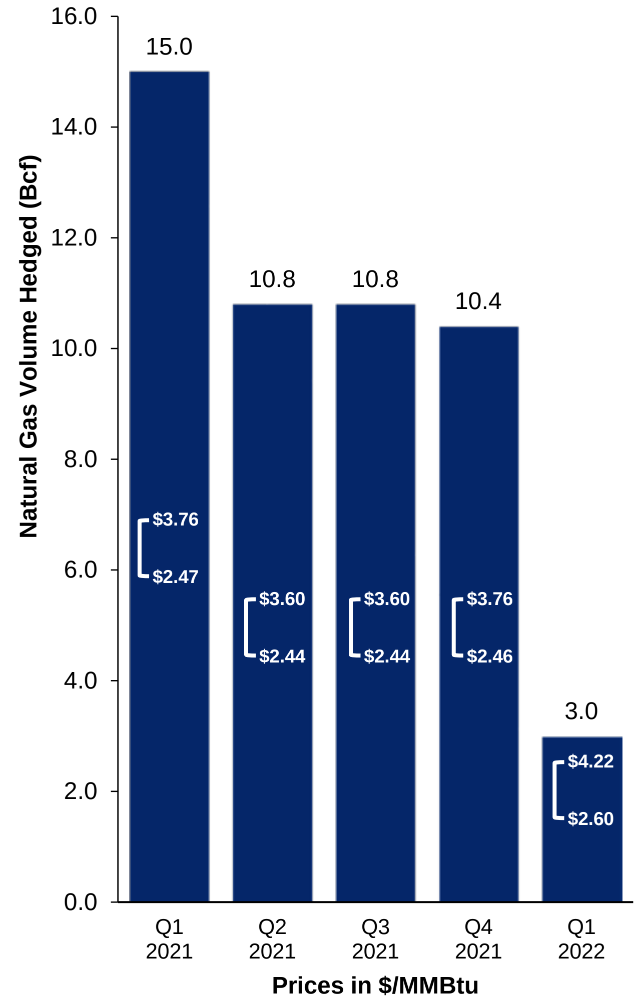
Midland-Cushing Basis Swaps

~50% hedged for 2021



Natural Gas Collars

~85% hedged for Q1 2021
~50-55% hedged for Q2-Q4 2021



(1) As of December 31, 2020.

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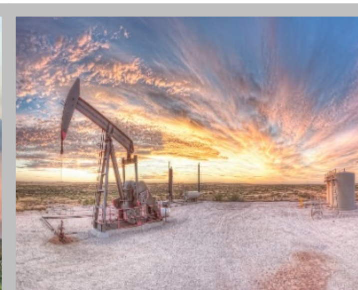


Appendix

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Matador Resources and San Mateo 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 12/31/2020*	Letters of Credit Outstanding *at 12/31/2020*	Financial Covenant: Maximum Net Debt to Adjusted EBITDA(1)(2)
$1.5 billion	October 2023	$900 million	9/30/2020	$700 million	$440 million	$46 million	4.00:1.00

San Mateo Credit Facility Summary

Bank group led by The Bank of Nova Scotia

Facility Size	Accordion Feature Expandable Up To	Borrowings Outstanding *at 12/31/2020*	Letters of Credit Outstanding *at 12/31/2020*	Financial Covenant: Maximum Net Debt to Adjusted EBITDA(3)	Financial Covenant: Minimum Interest Coverage Ratio
$375 million	$400 million	$334 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 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. 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 securities 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 combined financial results of San Mateo Midstream, LLC and San Mateo Midstream II, LLC prior to the October 2020 merger. 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)	2018	2019	2020
Unaudited Adjusted EBITDA reconciliation to Net Income (Loss):			
Net income (loss) attributable to Matador Resources Company shareholders	$274,207	$87,777	($593,205)
Net income attributable to non-controlling interest in subsidiaries	25,557	35,205	39,645
Net income (loss)	$299,764	$122,982	($553,560)
Interest expense	41,327	73,873	76,692
Total income tax (benefit) provision	(7,691)	35,532	(45,599)
Depletion, depreciation and amortization	265,142	350,540	361,831
Accretion of asset retirement obligations	1,530	1,822	1,948
Full-cost ceiling impairment	-	-	684,743
Unrealized (gain) loss on derivatives	(65,085)	53,727	32,008
Stock-based compensation expense	17,200	18,505	13,625
Net loss on asset sales and impairment	196	967	2,832
Prepayment premium on extinguishment of debt	31,226	-	-
Consolidated Adjusted EBITDA	583,609	657,948	574,520
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	(30,386)	(47,192)	(55,243)
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$553,223**	**$610,756**	**$519,277**

(In thousands)	2018	2019	2020
Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by Operating Activities:			
Net cash provided by operating activities	$608,523	$552,042	$477,582
Net change in operating assets and liabilities	(64,429)	34,517	23,078
Interest expense, net of non-cash portion	39,970	71,389	73,860
Current income tax benefit	(455)	-	-
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	(30,386)	(47,192)	(55,243)
Adjusted EBITDA attributable to Matador Resources Company shareholders	**$553,223**	**$610,756**	**$519,277**

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.

	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**
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
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
Interest expense	–	–	–	–	–	–	–	333
Accretion of asset retirement obligations	–	9	10	11	11	12	18	20
Net loss on impairment	–	–	–	–	–	–	–	–
Adjusted EBITDA (Non-GAAP)	**$ 6,746**	**$ 7,511**	**$ 7,093**	**$ 9,571**	**$ 11,545**	**$ 13,999**	**$ 17,350**	**$ 19,117**

	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**
Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by (Used in) Operating Activities:								
Net cash (used in) provided by operating activities	$ (1,064)	$ 2,630	$ 22,509	$ (2,767)	$ 10,385	$ (160)	$ 2,093	$ 23,070
Net change in operating assets and liabilities	7,756	4,817	(15,479)	12,250	1,160	14,159	15,257	(4,273)
Interest expense, net of non-cash portion	–	–	–	–	–	–	–	320
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**

	Three Months Ended							
(In thousands)	**3/31/2019**	**6/30/2019**	**9/30/2019**	**12/31/2019**	**3/31/2020**	**6/30/2020**	**9/30/2020**	**12/31/2020**
Unaudited Adjusted EBITDA reconciliation to Net Income (Loss):								
Net income	$ 15,229	$ 16,979	$ 20,000	$ 19,642	$ 19,088	$ 15,252	$ 20,323	$ 26,247
Total income tax provision	–	–	–	–	–	–	–	–
Depletion, depreciation and amortization	3,406	3,565	3,848	4,249	4,600	4,786	5,822	7,277
Interest expense	2,142	2,180	2,458	2,502	2,437	1,854	1,766	1,827
Accretion of asset retirement obligations	–	25	27	58	45	49	50	56
Net loss on impairment	–	–	–	–	–	1,261	-	-
Adjusted EBITDA (Non-GAAP)	**$ 20,777**	**$ 22,749**	**$ 26,333**	**$ 26,451**	**$ 26,170**	**$ 23,202**	**$ 27,961**	**$ 35,407**

	Three Months Ended							
(In thousands)	**3/31/2019**	**6/30/2019**	**9/30/2019**	**12/31/2019**	**3/31/2020**	**6/30/2020**	**9/30/2020**	**12/31/2020**
Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by (Used in) Operating Activities:								
Net cash (used in) provided by operating activities	$ 32,616	$ 18,650	$ 31,550	$ 23,834	$ 25,244	$ 20,164	$ 24,795	$ 26,131
Net change in operating assets and liabilities	(13,899)	2,031	(7,468)	199	(1,341)	1,354	1,477	7,716
Interest expense, net of non-cash portion	2,060	2,068	2,251	2,418	2,267	1,684	1,689	1,560
Current income tax provision	–	–	–	–	–	–	–	–
Adjusted EBITDA (Non-GAAP)	**$ 20,777**	**$ 22,749**	**$ 26,333**	**$ 26,451**	**$ 26,170**	**$ 23,202**	**$ 27,961**	**$ 35,407**

(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)]

San Mateo MIDSTREAM

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.

	Year Ended December 31,					
(In thousands)	2015	2016	2017	2018	2019	2020
Unaudited Adjusted EBITDA reconciliation to Net Income:						
Net income	$ 2,719	$ 10,174	$ 26,391	$52,158	$ 71,850	$ 80,910
Total income tax provision	647	97	269	–	–	–
Depletion, depreciation and amortization	562	1,739	4,231	9,459	15,068	22,485
Interest expense	–	–	–	333	9,282	7,884
Accretion of asset retirement obligations	16	47	30	61	110	200
Net loss on impairment	–	–	–	–	–	1,261
Adjusted EBITDA (Non-GAAP)	**$ 3,944**	**$ 12,057**	**$ 30,921**	**$62,011**	**$ 96,310**	**$ 112,740**

	Year Ended December 31,					
(In thousands)	2015	2016	2017	2018	2019	2020
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	$ 96,334
Net change in operating assets and liabilities	(10,007)	5,266	9,344	25,989	(19,137)	9,206
Interest expense, net of non-cash portion	–	–	–	320	8,797	7,200
Current income tax provision	35	97	269	–	–	–
Adjusted EBITDA (Non-GAAP)	**$ 3,944**	**$ 12,057**	**$ 30,921**	**$ 62,011**	**$ 96,310**	**$ 112,740**

(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.