

## Q2 2022 Highlights

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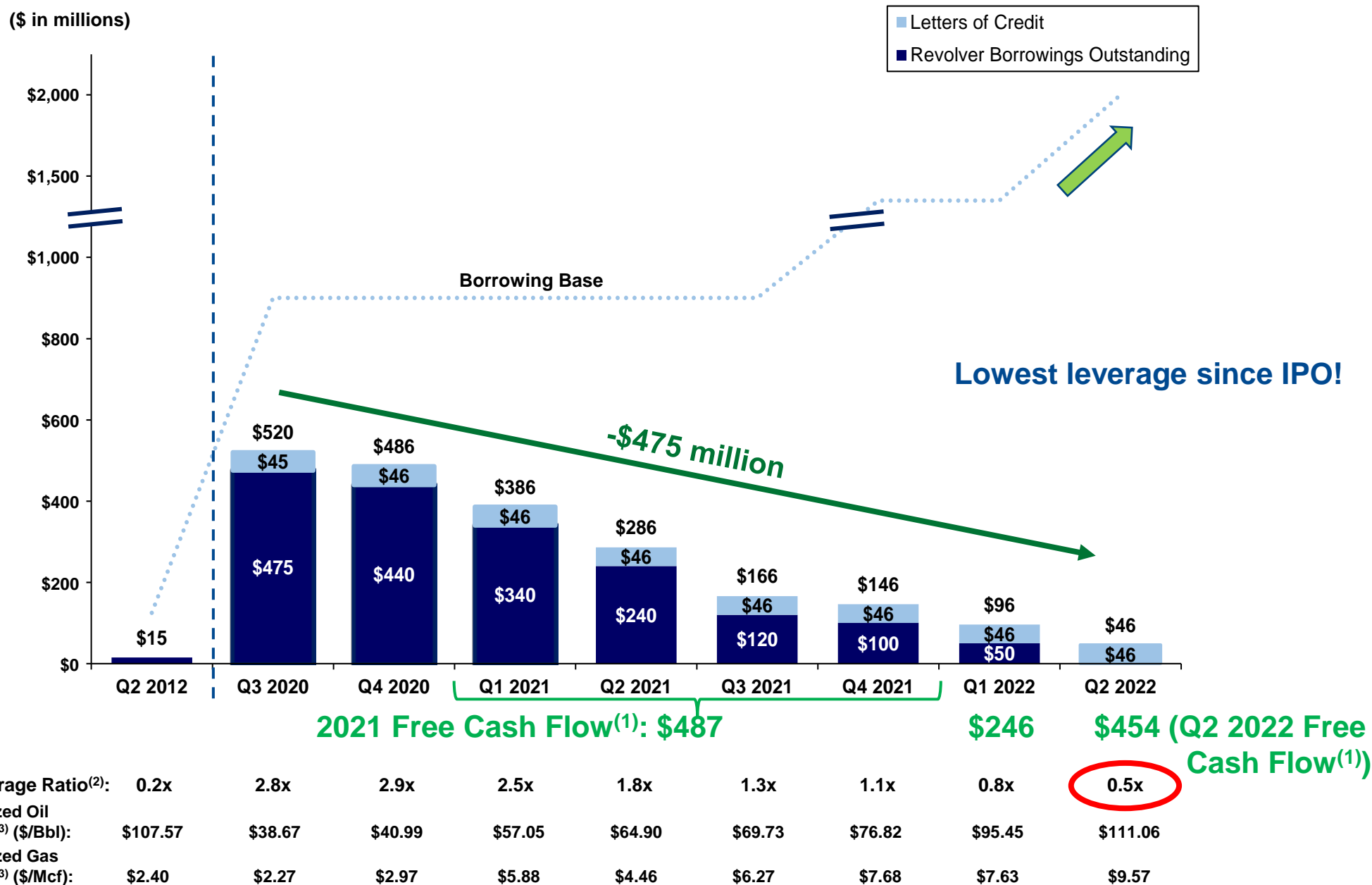
- ***Doubled the Dividend***
  - *Now \$0.40 per share on an annualized basis*
- ***Reduced Debt***
  - *No outstanding borrowings on revolving credit facility bank debt*
  - *Repurchased \$158 million in public bonds in the open market<sup>(1)</sup>*
- ***Increased Production***
  - *Record 110,750 BOE per day in Q2 2022*
- ***Record Financial Results***
  - *Oil and natural gas revenues (\$893 million), net income (\$416 million), Adjusted EBITDA<sup>(2)</sup> (\$664 million)*
- ***Generating Adj. Free Cash Flow<sup>(1)</sup>***
  - *Record \$454 million in Q2 – Almost as much as all of 2021 (\$487 million)!*
- ***Acquired Pronto Midstream***
  - *Includes 60 MMcf/d cryogenic processing plant and 45 miles of natural gas gathering pipelines*

(1) Through July 25, 2022.

(2) Adjusted EBITDA and adjusted free cash flow are non-GAAP financial measures. For a definition and reconciliation to the comparable GAAP measures, see Appendix.

# Revolver Borrowings Outstanding – Quarterly Results

## No RBL Borrowings Outstanding!



Note: Adjusted free cash flow<sup>(1)</sup> for the second quarter of 2022 nearly exceeds the adjusted free cash flow generated in full-year 2021.

(1) Adjusted free cash flow is a non-GAAP financial measure. For definitions and reconciliations to the comparable GAAP measures, see Appendix.

(2) Defined as Net Debt / LTM Adjusted EBITDA as calculated under the Credit Agreement. For purposes of the Credit Agreement, Net Debt at June 30, 2022 is calculated as (i) \$906 million in senior notes outstanding, plus (ii) \$46 million in outstanding letters of credit under the Credit Agreement, less (iii) \$75 million in available cash. Adjusted EBITDA is a non-GAAP financial measure. For a definition and reconciliation to the comparable GAAP measures, see Appendix.

(3) Without realized derivatives.

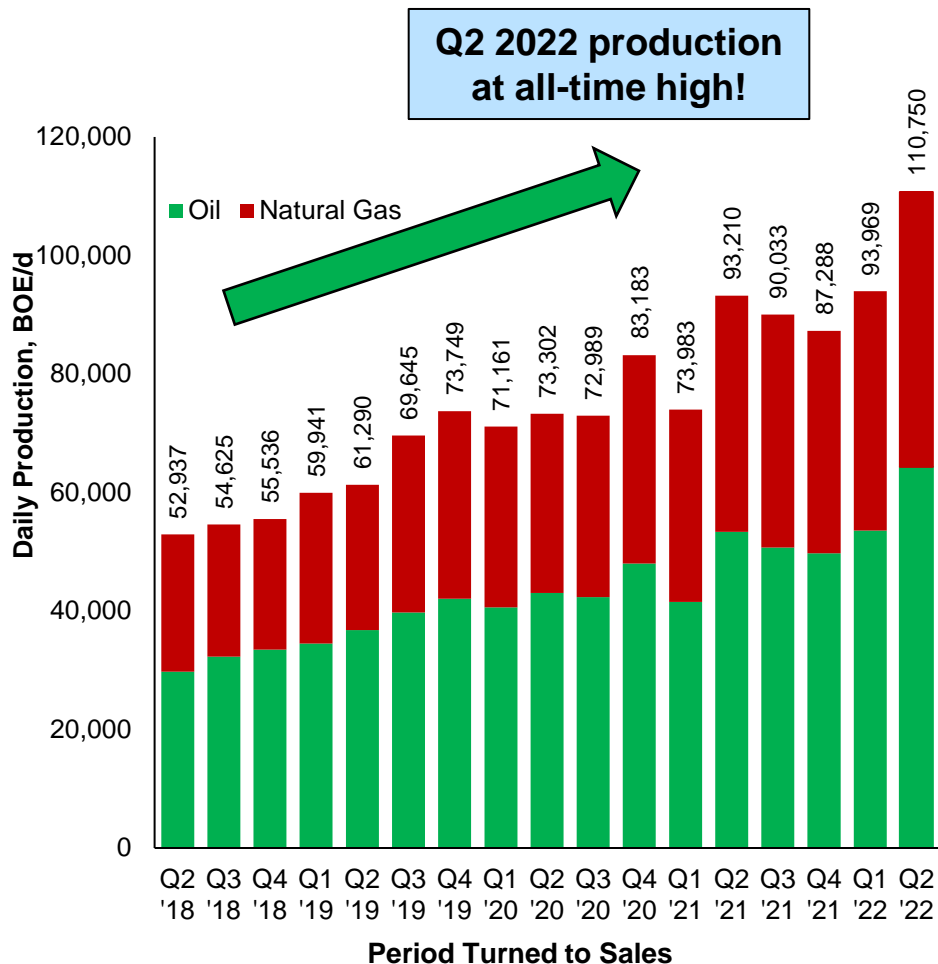


# Growing Production while Decreasing Costs!

## Daily Oil and Natural Gas Production

BOE/day

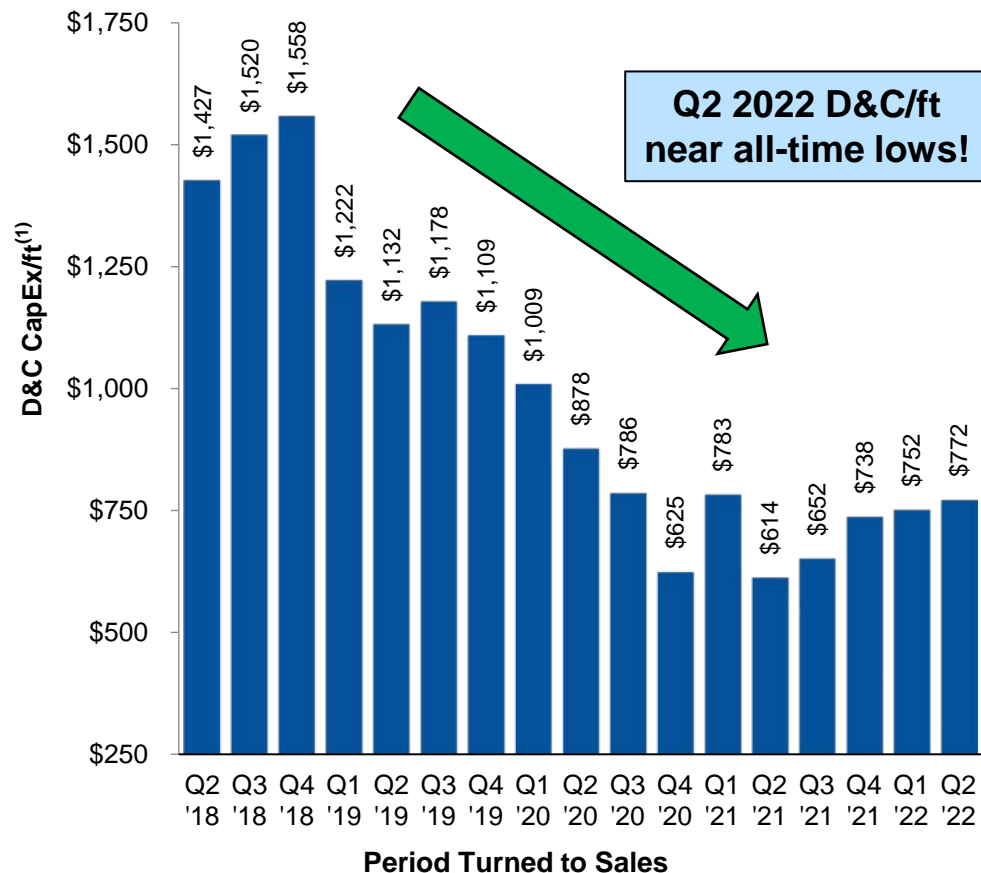
**Q2 2022 production at all-time high!**



## Drilling & Completion CapEx

\$/foot

**Q2 2022 D&C/ft near all-time lows!**



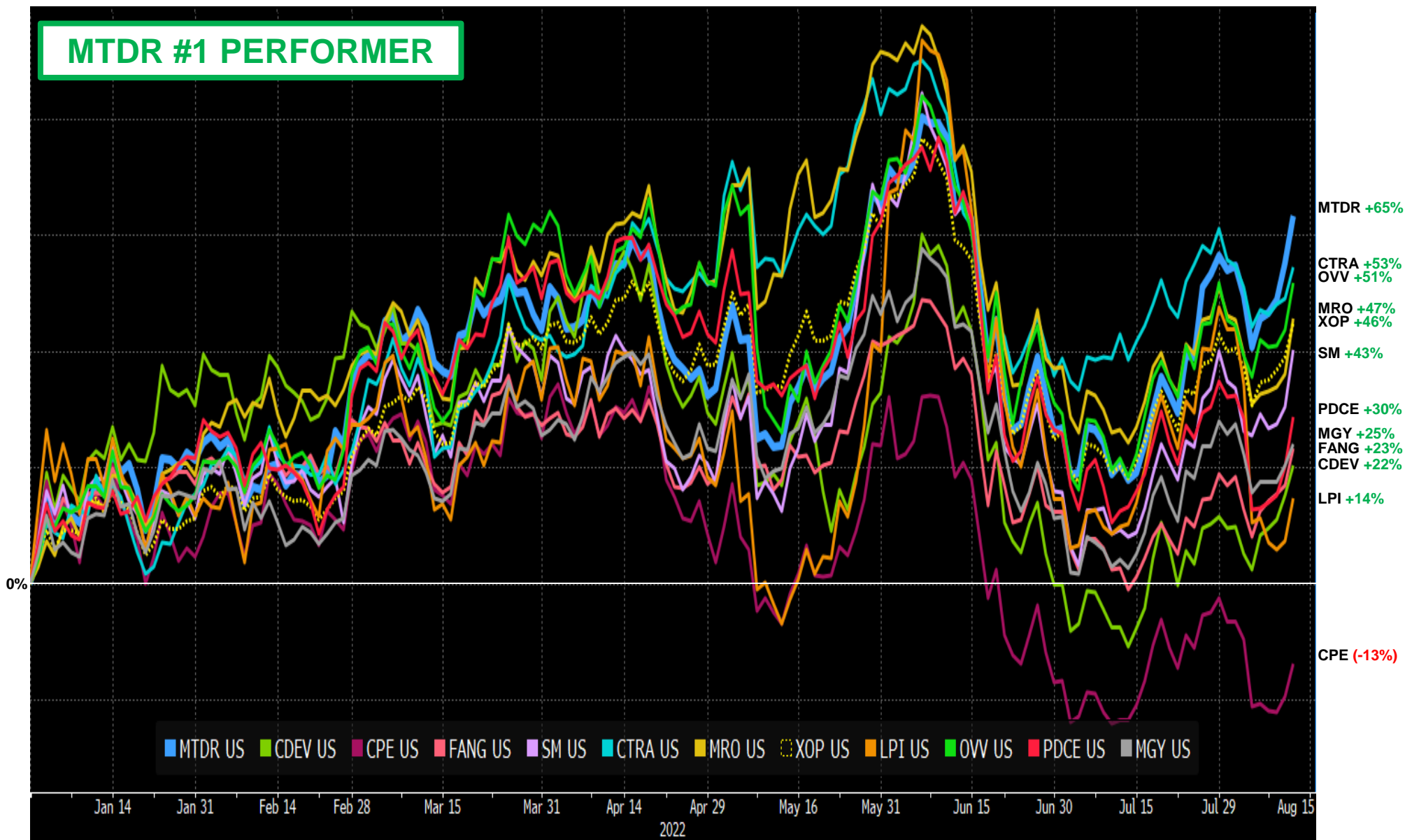
(1) Cost per completed lateral foot metric shown represents the drilling and completion ("D&C") portion of operated horizontal well costs only. Excludes costs to equip wells, midstream capital expenditures, capitalized general and administrative ("G&A") or interest expenses and certain other capital expenditures.



# MTDR Performance vs. Board Peers (YTD 2022)

Since January 1, 2022 through August 12, 2022 close

**MTDR #1 PERFORMER**





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# Appendix

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MTDR  
LISTED  
NYSE

# Adjusted EBITDA & Adjusted Free Cash Flow Reconciliations

**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 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 their 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. This Appendix 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 Free Cash Flow Reconciliation** – This presentation includes the non-GAAP financial measure of adjusted free cash flow. This non-GAAP item is measured, on a consolidated basis for the Company and for San Mateo, as net cash provided by operating activities, adjusted for changes in working capital and cash performance incentives that are not included as operating cash flows, less cash flows used for capital expenditures, adjusted for changes in capital accruals. On a consolidated basis, these numbers are also adjusted for the cash flows related to non-controlling interest in subsidiaries that represent cash flows not attributable to Matador shareholders. Adjusted free cash flow should not be considered an alternative to, or more meaningful than, net cash provided by operating activities as determined in accordance with GAAP or as an indicator of the Company’s liquidity. Adjusted free cash flow is used by the Company, securities analysts and investors as an indicator of the Company’s ability to manage its operating cash flow, internally fund its D/C/E capital expenditures, pay dividends and service or incur additional debt, without regard to the timing of settlement of either operating assets and liabilities or accounts payable related to capital expenditures. Additionally, this non-GAAP financial measure may be different than similar measures used by other companies. The Company believes the presentation of adjusted free cash flow provides useful information to investors, as it provides them an additional relevant comparison of the Company’s performance, sources and uses of capital associated with its operations across periods and to the performance of the Company’s peers. In addition, this non-GAAP financial measure reflects adjustments for items of cash flows that are often excluded by securities analysts and other users of the Company’s financial statements in evaluating the Company’s cash spend. This Appendix reconciles adjusted free cash flow to its most directly comparable GAAP measure of net cash provided by operating activities. All references to Matador’s adjusted free cash flow are those values attributable to Matador shareholders after giving effect to adjusted free cash flow attributable to third-party non-controlling interests, including in San Mateo. Adjusted free cash flow for San Mateo includes the combined financial results of San Mateo Midstream, LLC and San Mateo Midstream II, LLC prior to their October 2020 merger. 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 free cash flow 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 changes in working capital, future operating activities and liabilities and future capital expenditures. 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

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.

(In thousands)	3Q 2013	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019	3Q 2019	4Q 2019
<b>Unaudited Adjusted EBITDA reconciliation to Net Income (Loss):</b>									
Net income (loss) attributable to Matador Resources Company shareholders	\$ 20,105	\$ 59,894	\$ 59,806	\$ 17,794	\$ 136,713	\$ (16,947)	\$ 36,752	\$ 43,953	\$ 24,019
Net income attributable to non-controlling interest in subsidiaries	-	5,030	5,831	7,321	7,375	7,462	8,320	9,800	9,623
Net income (loss)	20,105	64,924	65,637	25,115	144,088	(9,485)	45,072	53,753	33,642
Interest expense	2,038	8,491	8,004	10,340	14,492	17,929	18,068	18,175	19,701
Total income tax provision (benefit)	2,563	-	-	-	(7,691)	(1,013)	12,858	13,490	10,197
Depletion, depreciation and amortization	26,127	55,369	66,838	70,457	72,478	76,866	80,132	92,498	101,043
Accretion of asset retirement obligations	86	364	375	387	404	414	420	520	468
Full-cost ceiling impairment	-	-	-	-	-	-	-	-	-
Unrealized loss (gain) on derivatives	9,327	(10,416)	(1,429)	21,337	(74,577)	45,719	(6,157)	(9,847)	24,012
Non-cash stock-based compensation expense	1,239	4,179	4,766	4,842	3,413	4,587	4,490	4,664	4,765
Net loss on asset sales and impairment	-	-	-	196	-	-	368	439	160
Prepayment premium on extinguishment of debt	-	-	-	31,226	-	-	-	-	-
Expense related to contingent consideration and other	-	-	-	-	-	-	-	-	-
Consolidated Adjusted EBITDA	61,485	122,911	144,191	163,900	152,607	135,017	155,251	173,692	193,988
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	-	(5,657)	(6,853)	(8,508)	(9,368)	(10,178)	(11,147)	(12,903)	(12,964)
<b>Adjusted EBITDA attributable to Matador Resources Company shareholders</b>	<b>\$ 61,485</b>	<b>\$ 117,254</b>	<b>\$ 137,338</b>	<b>\$ 155,392</b>	<b>\$ 143,239</b>	<b>\$ 124,839</b>	<b>\$ 144,104</b>	<b>\$ 160,789</b>	<b>\$ 181,024</b>

(In thousands)	3Q 2013	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019	3Q 2019	4Q 2019
<b>Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by Operating Activities:</b>									
Net cash provided by operating activities	\$ 43,280	\$ 136,149	\$ 118,059	\$ 165,111	\$ 189,205	\$ 58,966	\$ 135,257	\$ 158,630	\$ 198,915
Net change in operating assets and liabilities	15,265	(21,364)	18,174	(11,111)	(50,129)	58,765	2,472	(2,488)	(23,958)
Interest expense, net of non-cash portion	2,038	8,126	7,958	9,900	13,986	17,286	17,522	17,550	19,031
Current income tax provision (benefit)	902	-	-	-	(455)	-	-	-	-
Expense related to contingent consideration and other	-	-	-	-	-	-	-	-	-
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	-	(5,657)	(6,853)	(8,508)	(9,368)	(10,178)	(11,147)	(12,903)	(12,964)
<b>Adjusted EBITDA attributable to Matador Resources Company shareholders</b>	<b>\$ 61,485</b>	<b>\$ 117,254</b>	<b>\$ 137,338</b>	<b>\$ 155,392</b>	<b>\$ 143,239</b>	<b>\$ 124,839</b>	<b>\$ 144,104</b>	<b>\$ 160,789</b>	<b>\$ 181,024</b>

(In thousands)	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022	2Q 2022
<b>Unaudited Adjusted EBITDA reconciliation to Net Income (Loss):</b>										
Net income (loss) attributable to Matador Resources Company shareholders	\$ 125,729	\$ (353,416)	\$ (276,064)	\$ (89,454)	\$ 60,645	\$ 105,905	\$ 203,628	\$ 214,790	\$ 207,124	\$ 415,718
Net income attributable to non-controlling interest in subsidiaries	9,354	7,473	9,957	12,861	8,853	15,926	14,434	16,455	17,061	20,477
Net income (loss)	135,083	(345,943)	(266,107)	(76,593)	69,498	121,831	218,062	231,245	224,185	436,195
Interest expense	19,812	18,297	18,231	20,352	19,650	17,940	17,989	19,108	16,252	18,492
Total income tax provision (benefit)	39,957	(109,823)	26,497	(2,230)	2,840	5,349	(6,701)	73,222	68,528	135,960
Depletion, depreciation and amortization	90,707	93,350	88,025	89,749	74,863	91,444	89,061	89,537	95,853	120,024
Accretion of asset retirement obligations	476	495	478	499	500	511	518	539	543	517
Full-cost ceiling impairment	-	324,001	251,163	109,579	-	-	-	-	-	-
Unrealized (gain) loss on derivatives	(136,430)	132,668	13,033	22,737	43,423	42,804	(9,049)	(98,189)	75,029	(30,430)
Non-cash stock-based compensation expense	3,794	3,286	3,369	3,176	855	1,795	2,967	3,422	3,014	4,063
Net loss on asset sales and impairment	-	2,632	-	200	-	-	251	80	198	-
Prepayment premium on extinguishment of debt	-	-	-	-	-	-	-	-	-	-
Expense related to contingent consideration and other	-	-	-	-	-	-	-	1,485	356	4,889
Consolidated Adjusted EBITDA	153,399	118,963	134,689	167,469	211,629	281,674	313,098	320,449	483,958	689,710
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	(12,823)	(11,369)	(13,701)	(17,350)	(13,514)	(20,708)	(19,273)	(21,382)	(22,115)	(25,916)
<b>Adjusted EBITDA attributable to Matador Resources Company shareholders</b>	<b>\$ 140,576</b>	<b>\$ 107,594</b>	<b>\$ 120,988</b>	<b>\$ 150,119</b>	<b>\$ 198,115</b>	<b>\$ 260,966</b>	<b>\$ 293,825</b>	<b>\$ 299,067</b>	<b>\$ 461,843</b>	<b>\$ 663,794</b>

(In thousands)	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022	2Q 2022
<b>Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by Operating Activities:</b>										
Net cash provided by operating activities	\$ 109,372	\$ 101,013	\$ 109,574	\$ 157,623	\$ 169,395	\$ 258,200	\$ 291,231	\$ 334,529	\$ 328,954	\$ 646,302
Net change in operating assets and liabilities	24,899	368	7,599	(9,788)	23,308	6,465	4,666	(33,457)	123,930	(15,971)
Interest expense, net of non-cash portion	19,128	17,582	17,516	19,634	18,926	17,009	17,201	17,892	15,309	18,229
Current income tax provision (benefit)	-	-	-	-	-	-	-	-	15,409	36,261
Expense related to contingent consideration and other	-	-	-	-	-	-	-	1,485	356	4,889
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	(12,823)	(11,369)	(13,701)	(17,350)	(13,514)	(20,708)	(19,273)	(21,382)	(22,115)	(25,916)
<b>Adjusted EBITDA attributable to Matador Resources Company shareholders</b>	<b>\$ 140,576</b>	<b>\$ 107,594</b>	<b>\$ 120,988</b>	<b>\$ 150,119</b>	<b>\$ 198,115</b>	<b>\$ 260,966</b>	<b>\$ 293,825</b>	<b>\$ 299,067</b>	<b>\$ 461,843</b>	<b>\$ 663,794</b>



# Adjusted EBITDA Reconciliation – San Mateo<sup>(1)</sup> (100%)

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

	Three Months Ended							
	3/31/2018	6/30/2018	9/30/2018	12/31/2018	3/31/2019	6/30/2019	9/30/2019	12/31/2019
<i>(In thousands)</i>								
<b>Unaudited Adjusted EBITDA reconciliation to Net Income:</b>								
Net income	\$ 10,266	\$ 11,901	\$ 14,940	\$ 15,051	\$ 15,229	\$ 16,979	\$ 20,000	\$ 19,642
Depletion, depreciation and amortization	1,268	2,086	2,392	3,713	3,406	3,565	3,848	4,249
Interest expense	–	–	–	333	2,142	2,180	2,458	2,502
Accretion of asset retirement obligations	11	12	18	20	–	25	27	58
Net loss on asset sales and impairment	–	–	–	–	–	–	–	–
One-time plant payment	–	–	–	–	–	–	–	–
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>\$ 11,545</b>	<b>\$ 13,999</b>	<b>\$ 17,350</b>	<b>\$ 19,117</b>	<b>\$ 20,777</b>	<b>\$ 22,749</b>	<b>\$ 26,333</b>	<b>\$ 26,451</b>

	Three Months Ended							
	3/31/2018	6/30/2018	9/30/2018	12/31/2018	3/31/2019	6/30/2019	9/30/2019	12/31/2019
<i>(In thousands)</i>								
<b>Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by (Used in) Operating Activities:</b>								
Net cash (used in) provided by operating activities	\$ 10,385	\$ (160)	\$ 2,093	\$ 23,070	\$ 32,616	\$ 18,650	\$ 31,550	\$ 23,834
Net change in operating assets and liabilities	1,160	14,159	15,257	(4,273)	(13,899)	2,031	(7,468)	199
Interest expense, net of non-cash portion	–	–	–	320	2,060	2,068	2,251	2,418
One-time plant payment	–	–	–	–	–	–	–	–
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>\$ 11,545</b>	<b>\$ 13,999</b>	<b>\$ 17,350</b>	<b>\$ 19,117</b>	<b>\$ 20,777</b>	<b>\$ 22,749</b>	<b>\$ 26,333</b>	<b>\$ 26,451</b>

	Three Months Ended									
	3/31/2020	6/30/2020	9/30/2020	12/31/2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	3/31/2022	6/30/2022
<i>(In thousands)</i>										
<b>Unaudited Adjusted EBITDA reconciliation to Net Income:</b>										
Net income	\$ 19,088	\$ 15,252	\$ 20,323	\$ 26,247	\$ 18,068	\$ 32,562	\$ 29,454	\$ 33,583	\$ 34,819	\$ 41,789
Depletion, depreciation and amortization	4,600	4,786	5,822	7,277	7,523	7,521	7,609	7,808	7,778	8,041
Interest expense	2,437	1,854	1,766	1,827	1,928	2,118	2,208	2,180	2,269	2,990
Accretion of asset retirement obligations	45	49	50	56	60	61	61	66	68	69
Net loss on asset sales and impairment	–	1,261	–	–	–	–	–	–	198	–
One-time plant payment	–	–	–	–	–	–	1,500	–	–	–
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>\$ 26,170</b>	<b>\$ 23,202</b>	<b>\$ 27,961</b>	<b>\$ 35,407</b>	<b>\$ 27,579</b>	<b>\$ 42,262</b>	<b>\$ 40,832</b>	<b>\$ 43,637</b>	<b>\$ 45,132</b>	<b>\$ 52,889</b>

	Three Months Ended									
	3/31/2020	6/30/2020	9/30/2020	12/31/2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	3/31/2022	6/30/2022
<i>(In thousands)</i>										
<b>Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by Operating Activities:</b>										
Net cash provided by (used in) operating activities	\$ 25,244	\$ 20,164	\$ 24,795	\$ 26,131	\$ 41,198	\$ 25,261	\$ 44,164	\$ 33,121	\$ 45,511	\$ 49,902
Net change in operating assets and liabilities	(1,341)	1,354	1,477	7,716	(15,308)	15,210	(6,798)	8,585	(2,393)	250
Interest expense, net of non-cash portion	2,267	1,684	1,689	1,560	1,689	1,791	1,966	1,931	2,014	2,737
One-time plant payment	–	–	–	–	–	–	1,500	–	–	–
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>\$ 26,170</b>	<b>\$ 23,202</b>	<b>\$ 27,961</b>	<b>\$ 35,407</b>	<b>\$ 27,579</b>	<b>\$ 42,262</b>	<b>\$ 40,832</b>	<b>\$ 43,637</b>	<b>\$ 45,132</b>	<b>\$ 52,889</b>

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



# Adjusted Free Cash Flow Reconciliation

## Matador Resources Company

The following table presents the calculation of adjusted free cash flow and the reconciliation of adjusted free cash flow to the GAAP financial measure of net cash provided by operating activities.

(In thousands)

	Three Months Ended			Year Ended
	June 30, 2022	March 31, 2022	June 30, 2021	December 31, 2021
Net cash provided by operating activities	\$ 646,302	\$ 328,954	\$ 258,200	\$ 1,053,355
Net change in operating assets and liabilities	(15,971)	123,930	6,465	982
San Mateo discretionary cash flow attributable to non-controlling interest in subsidiaries <sup>(1)</sup>	(24,574)	(21,128)	(19,831)	(71,262)
Performance incentives received from Five Point	-	22,750	16,250	48,626
Total discretionary cash flow	605,757	454,506	261,084	1,031,701
Drilling, completion and equipping capital expenditures	182,064	207,829	124,739	431,136
Midstream capital expenditures	16,318	11,992	8,712	63,359
Expenditures for other property and equipment	58	225	112	376
Net change in capital accruals	(38,250)	(1,768)	(24,938)	78,515
San Mateo accrual-based capital expenditures related to non-controlling interest in subsidiaries <sup>(2)</sup>	(8,200)	(9,446)	(3,812)	(28,614)
Total accrual-based capital expenditures <sup>(3)</sup>	151,990	208,832	104,813	544,772
<b>Adjusted free cash flow</b>	<b>\$ 453,767</b>	<b>\$ 245,674</b>	<b>\$ 156,271</b>	<b>\$ 486,929</b>

(1) Represents Five Point's 49% interest in San Mateo discretionary cash flow, as computed below.

(2) Represents Five Point's 49% interest in accrual-based San Mateo capital expenditures, as computed below.

(3) Represents drilling, completion and equipping costs, Matador's share of San Mateo capital expenditures plus 100% of other midstream capital expenditures not associated with San Mateo.

## San Mateo (100%)

The following table presents the calculation of adjusted free cash flow and the reconciliation of adjusted free cash flow to the GAAP financial measure of net cash provided by operating activities for San Mateo Midstream, LLC.

(In thousands)

	Three Months Ended			Year Ended
	June 30, 2022	March 31, 2022	June 30, 2021	December 31, 2021
Net cash provided by San Mateo operating activities	\$ 49,902	\$ 45,511	\$ 25,261	\$ 143,744
Net change in San Mateo operating assets and liabilities	250	(2,393)	15,210	1,689
Total San Mateo discretionary cash flow	50,152	43,118	40,471	145,433
San Mateo capital expenditures	16,616	12,170	8,688	62,111
Net change in San Mateo capital accruals	119	7,107	(909)	(3,716)
San Mateo accrual-based capital expenditures	16,735	19,277	7,779	58,395
<b>San Mateo adjusted free cash flow</b>	<b>\$ 33,417</b>	<b>\$ 23,841</b>	<b>\$ 32,692</b>	<b>\$ 87,038</b>