



Matador Acquisition of Advance Energy

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NYSE

Investor Relations Contact and Disclosure Statements

Investor Relations Contact

Mac Schmitz

Vice President – Investor Relations

Phone: (972) 371-5225

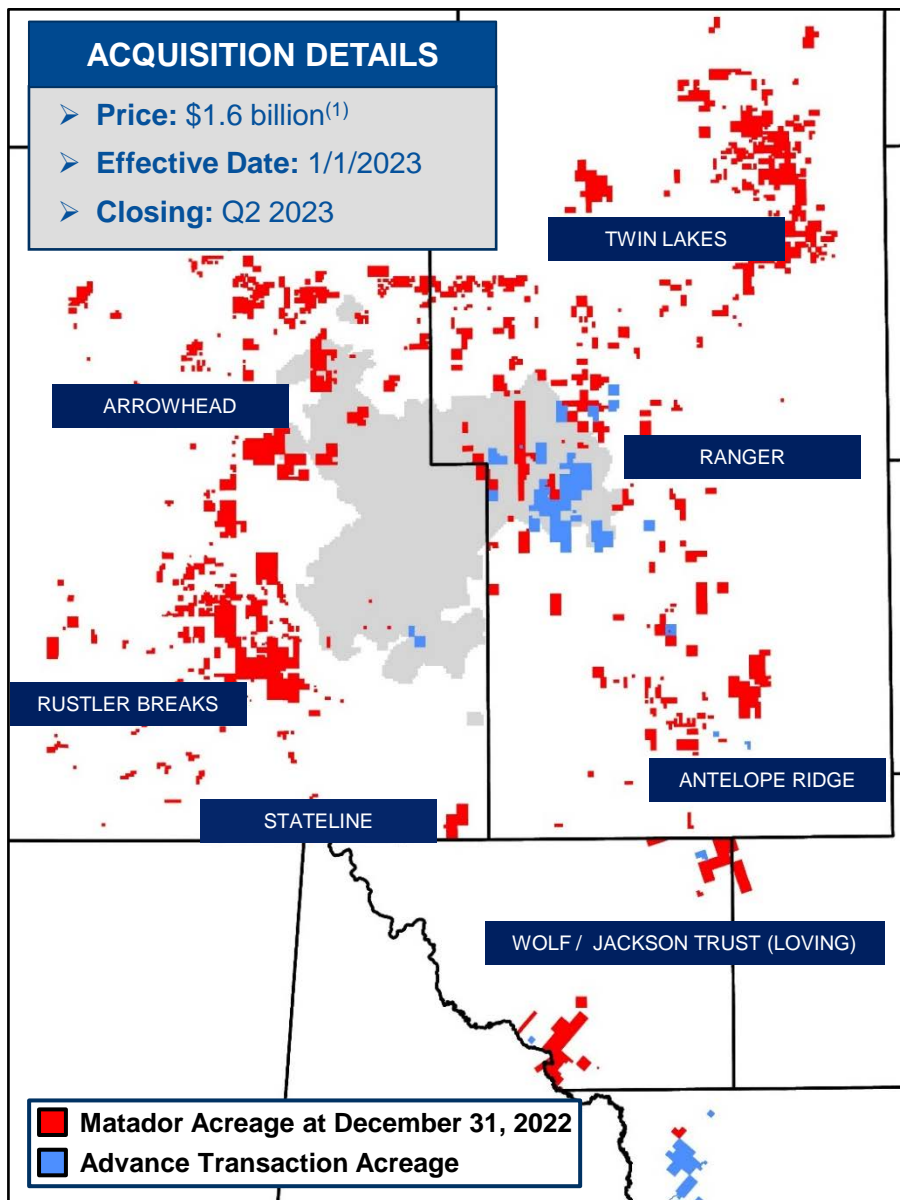
E-mail: investors@matadorresources.com

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.

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 the consummation and timing of the Advance transaction, the anticipated benefits, opportunities and results with respect to the acquisition, including the expected value creation, reserves additions, midstream opportunities and other anticipated impacts from the Advance transaction, as well as other aspects of the transaction, 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 ability of the parties to consummate the Advance transaction in the anticipated timeframe or at all; risks related to the satisfaction or waiver of the conditions to closing the Advance transaction in the anticipated timeframe or at all; risks related to obtaining the requisite regulatory approvals; disruption from the Advance transaction making it more difficult to maintain business and operational relationships; significant transaction costs associated with the Advance transaction; the risk of litigation and/or regulatory actions related to the Acquisition, as well as 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; the operating results of the Company’s midstream oil, natural gas and water gathering and transportation systems, pipelines and facilities, the acquiring of third-party business and the drilling of any additional salt water disposal wells; 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; impact on the Company’s operations due to seismic events; availability of sufficient capital to execute Matador’s business plan, including from future cash flows, available borrowing capacity under Matador’s revolving credit facilities and otherwise; Matador’s ability to make acquisitions on economically acceptable terms; Matador’s ability to integrate acquisitions; the operating results of and the availability of any potential distributions from the Company’s joint ventures; weather and environmental conditions; the impact of the worldwide spread of the novel coronavirus (“COVID-19”), or variants thereof, on oil and natural gas demand, oil and natural gas prices and its business; and the other 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.

Matador's Strategic Bolt-On Acquisition of Advance Energy



Note: All acreage as of December 31, 2022 pro forma for the Advance Transaction. Some tracts not shown on map.

- (1) Subject to customary closing adjustments and plus additional cash consideration of \$7.5 million for each month during 2023 in which the average oil price as defined in the securities purchase agreement exceeds \$85 per Bbl.
- (2) Estimated using strip pricing as of mid-January 2023. Adj. EBITDA is a non-GAAP financial measure. The Company defines Adj. 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. The most comparable GAAP measures to Adj. EBITDA are net income or net cash provided by operating activities. The Company has not provided such GAAP measures or a reconciliation to such GAAP measures because they would be preliminary and prospective in nature and would not be able to be prepared without estimation of a number of variables that are unknown at this time.
- (3) PV-10 (present value discounted at 10%) at December 31, 2022 utilizing strip pricing as of mid-January 2023. PV-10 is a non-GAAP financial measure, which differs from the GAAP financial measure of "Standardized Measure" because PV-10 does not include the effects of income taxes on future income. The income taxes related to the acquired properties is unknown at this time because the Company's tax basis in such properties will not be known until the closing of the transaction and is subject to many variables. As such, the Company has not provided the Standardized Measure of the acquired properties or a reconciliation of PV-10 to Standardized Measure.
- (4) Equals PV-10 of proved developed reserves of \$1.14 billion divided by midpoint of Q1 2023 production estimate of 25,000 BOE per day.

Advance Transaction Overview

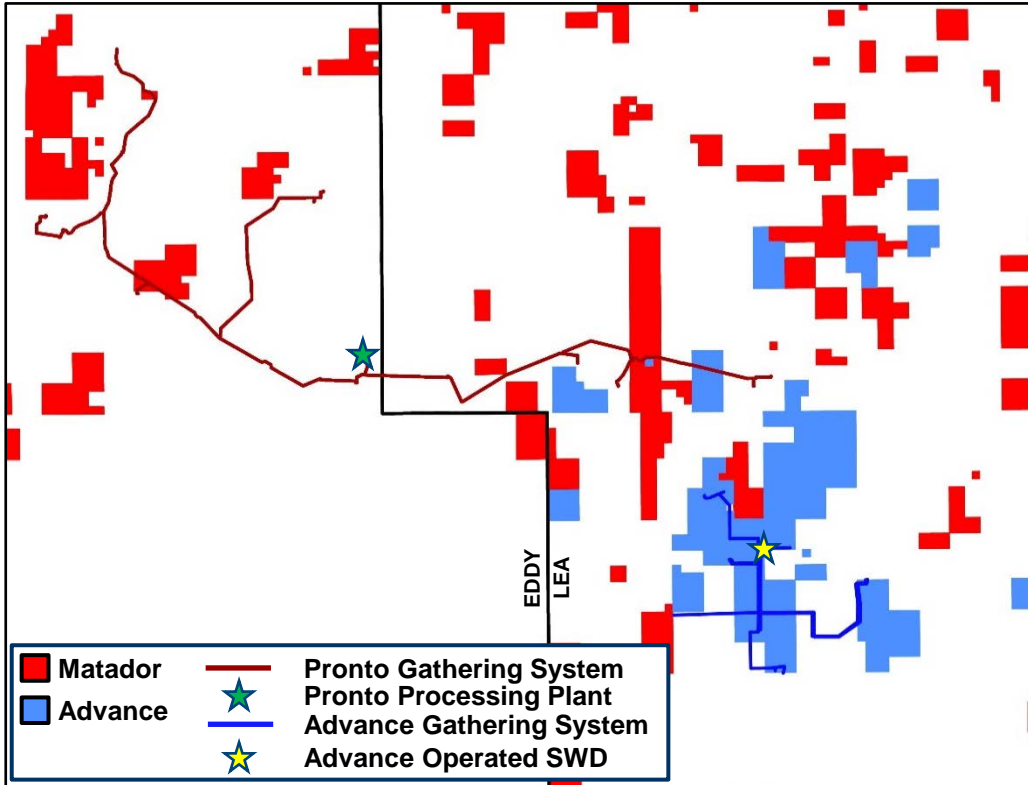
- Strategic bolt-on in the core of the Northern Delaware Basin
 - 18,500 net acres → 99% Held-by-Production
- Attractive purchase price of **3.2x forward 1-year Adj. EBITDA⁽²⁾**
- Accretive to relevant key financial and valuation metrics
- Strong existing production, cash flow and proved reserves
- Adds high-quality inventory in primarily development zones
 - 203 net locations primarily in the Avalon, Bone Spring, and Wolfcamp; includes 21 gross (20 net) DUCs
 - 35 net additional upside locations in the Wolfcamp D
- Upside midstream value and synergies with Pronto Midstream
- Matador preserves strong balance sheet → pro forma leverage expected to remain **below 1.0x**

Key Metrics

Net Acres	18,500
Held by Production (%)	99%
Q1 2023E Production	24,500 to 25,500 BOE/d (72% oil)
Forward 1-year Adj. EBITDA ⁽²⁾	\$475 to \$525 million
Net Locations	203 (85% operated)
Avg. Operated Lateral Length	9,400 feet
2023E "D/C/E" CapEx	\$300 to \$350 million
YE 2022 Proved Reserves	106 MMBOE (73% oil)
PV-10 at strip pricing ⁽³⁾	\$1.92 billion
Production Value ⁽⁴⁾	\$45,600 / BOE per day



Advance Transaction: Strategic Midstream Synergies



Note: All acreage as of December 31, 2022 pro forma for the Advance Transaction. Some tracts not shown on map.

Advance Transaction Midstream Assets and Opportunities

- Acquiring ~35 mi of in-field gas and water gathering pipelines
- Acquiring an active Devonian Salt Water Disposal well with strong proven injection capacity
- Potential connection of undedicated acreage to Pronto to further enhance flow assurance and provide upside midstream value

PRONTO MIDSTREAM ASSETS

Processing Capacity
60 million cubic feet per day

Gathering Assets
~45 miles of pipeline
3 compressor stations

Takeaway Capacity to Waha
50 MMcf/d⁽¹⁾ on the Double E Pipeline⁽²⁾



Pronto Midstream's Marlan Natural Gas Processing Plant

(1) Increases to 65 MMcf/d in November 2024.
 (2) The Double E Pipeline is a FERC regulated natural gas pipeline operated by Summit Midstream Partners, LP.