



# Acreage Acquired in BLM Lease Sale Overview

*September 12, 2018*

*NYSE: MTDR*

# Disclosure Statements

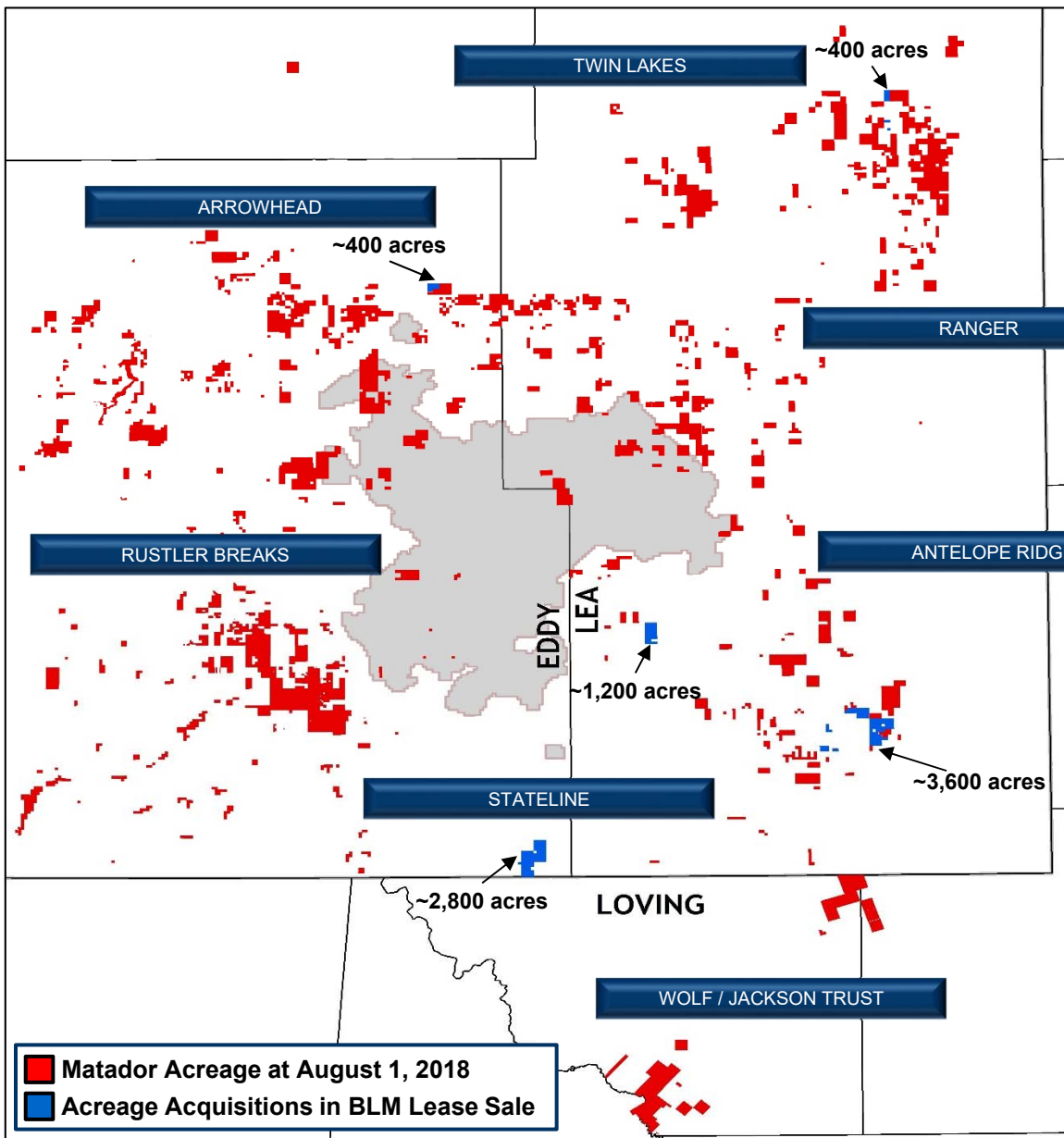
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**Cautionary Note** – The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. Potential resources are not proved, probable or possible reserves. The SEC’s guidelines prohibit Matador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

# Successful Acreage Acquisitions at BLM Lease Sale



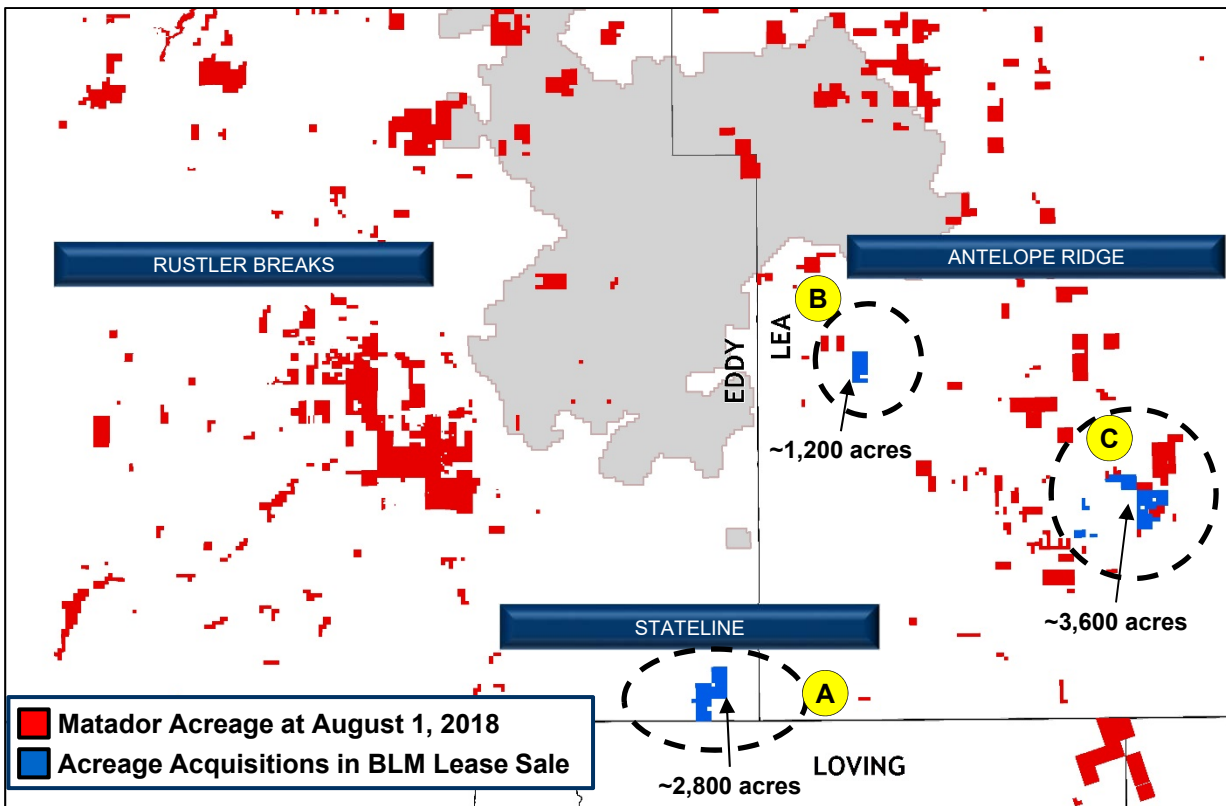
- Successfully acquired approx. 8,400 gross (8,400 net) acres in attractive areas for ~\$387 million, or ~\$46,000 per net acre
- Matador's total Delaware Basin position is approx. 217,400 gross (123,800 net) acres pro forma for the BLM lease sale
  - Weighted average cost of \$11,000 per net acre to-date, excluding value of production acquired
- Most of the acquired acreage is prospective for multiple geologic targets where operators have achieved strong well results (See next page)

Other important valuation considerations include:

- Adds incremental 16.3 million BOE<sup>(1)</sup> in PUDs, or 10%, in PUDs to total proved reserves base
- Net revenue interest of 87.5% vs. 75% for most fee leases
- 1/8<sup>th</sup> royalty can improve net production by 17% and enhances the value of the acquired properties
- Majority of acreage conducive to drilling longer laterals up to two miles or more, utilizing central facilities and multi-well pad development, which should reduce well costs and further improve well returns and economics
- Midstream and mineral opportunities available

Note: All acreage as of August 1, 2018 pro forma for the September BLM lease sale. Some tracts not shown on map.  
 (1) Pro forma at June 30, 2018.

# Successful Acreage Acquisitions at BLM Lease Sale



Strong results from wells offsetting the acquired acreage:

## A Stateline Asset Area

Well	Interval	Months	Cumulative Production	
			Oil Eq. (BOE)	% Oil
Big Sinks Draw #3H (Devon)	2nd Bone Spring	38.0	663,000	62%
Paduca 7 #1H (Mewbourne)	Avalon	37.0	750,000	40%
Stampede Fed #1H (Conoco)	Wolfcamp A-Lower	42.0	550,000	56%
Lindsay 10-3A (WPX)	Wolfcamp A-XY	8.0	464,000	57%

## B Antelope Ridge West

Well	Interval	Months	Cumulative Production	
			Oil Eq. (BOE)	% Oil
Leghorn 32 State #201H (EOG)	Avalon	20.0	618,000	54%
Foghorn 32 State Com #501H (EOG)	2nd Bone Spring	20.0	289,000	79%
Leo Thorsness 13-24S-33E AR #211H (Matador)	Wolfcamp A-Lower	5.0	182,000	73%
Neptune 10 State Com #701H (EOG)	Wolfcamp A-XY	16.0	434,000	74%

## C Antelope Ridge East

Well	Interval	Months	Cumulative Production	
			Oil Eq. (BOE)	% Oil
Marlan Downey 9-23S-35E AR #111H (Matador)	1st Bone Spring	5.0	109,000	76%
Viking Helmet State Com #024H (Concho)	3rd Bone Spring	13.0	551,000	85%
Coonskin Fee #025H (Concho)	Wolfcamp A-XY	5.0	300,000	85%

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