Matador Resources Analyst Day

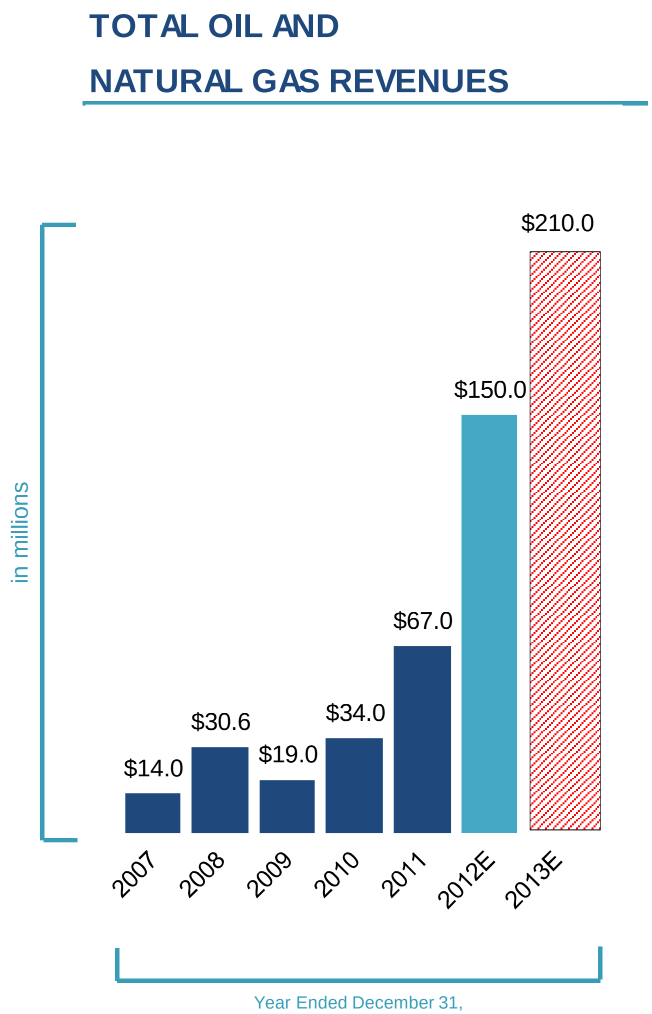
December 6, 2012

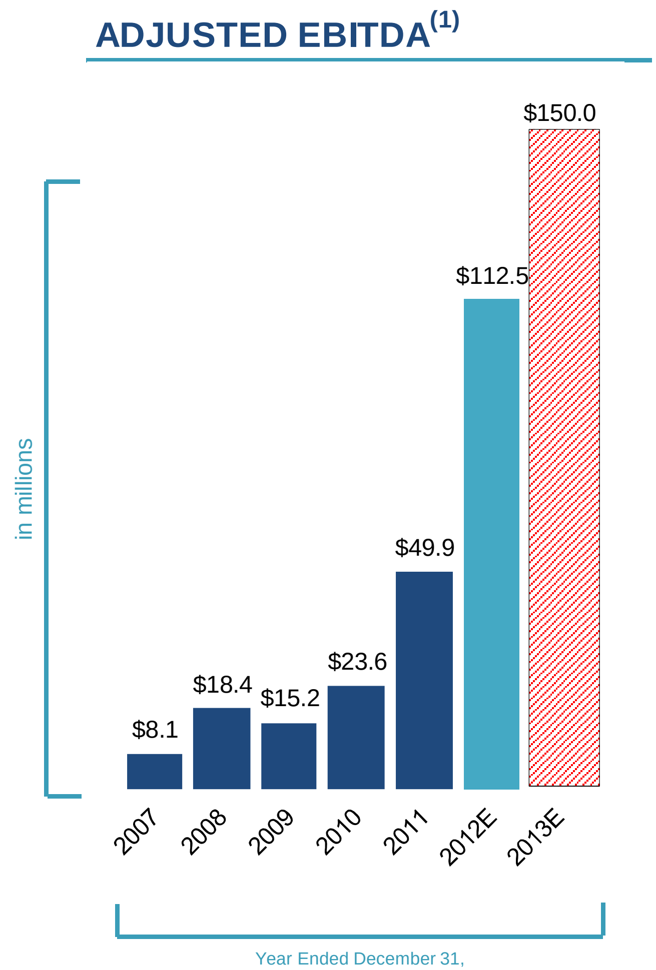
Disclosure Statements

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" and similar expressions that are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. 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 our financial and operational performance: general economic conditions; our ability to execute our business plan, including whether our 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; our ability to replace reserves and efficiently develop our current reserves; our costs of operations, delays and other difficulties related to producing oil, natural gas and natural gas liquids; our ability to make acquisitions on economically acceptable terms; availability of sufficient capital to execute our business plan, including from our future cash flows, increases in our borrowing base, joint venture partners and otherwise; weather and environmental conditions; 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 SEC filings, including the "Risk Factors" section of Matador's Annual Report on Form 10-K for the year ended December 31, 2011. Matador undertakes no obligation and does not intend to update these forward-looking statements to reflect events or circumstances occurring after the date of this presentation, except as required by law. 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 Securities and Exchange Commission (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.

Matador's Continued Growth





(1) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to our net (loss) income and net cash provided by operating activities, see Appendix



2013 Capital Investment Plan

2013 Capital Investment Plan Highlights

- **2013 projected capital expenditures of approximately $310 million**
  - Drill and complete or participate in 48 gross/31.3 net wells in 2013
  - Includes approximately $25 million for pipelines/facilities and $25 million for land/seismic acquisition

- **Maintain financial discipline by funding 2013 capital expenditures through operating cash flows and borrowings under revolving credit facility**
  - 2013 oil production volumes well hedged to protect cash flows below about $88/Bbl oil price

- **2013 Production Expectations**
  - Oil production of 1.6 to 1.8 million barrels – up about 40% from 2012
  - Natural gas production of 11.0 to 12.0 Bcf – down about 8% from 2012

- **2013 Financial Expectations**
  - Oil and natural gas revenues(1) of $200 to $220 million – up about 40% from estimated $145 to $155 million in 2012
  - Adjusted EBITDA(1)(2) of $140 to $160 million – up about 33% from estimated $110 to $115 million in 2012
  - Total borrowings outstanding estimated to be $310 to $320 million at YE 2013

(1) Estimated 2013 oil and natural gas revenues and Adjusted EBITDA at midpoint of production guidance range using late November 2012 strip prices for oil and natural gas, plus property-specific differentials. Estimated average realized prices for oil and natural gas were $94.00/Bbl and $4.43/Mcf, respectively
(2) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to our net (loss) income and net cash provided by operating activities, see Appendix

2013 Production Expectations

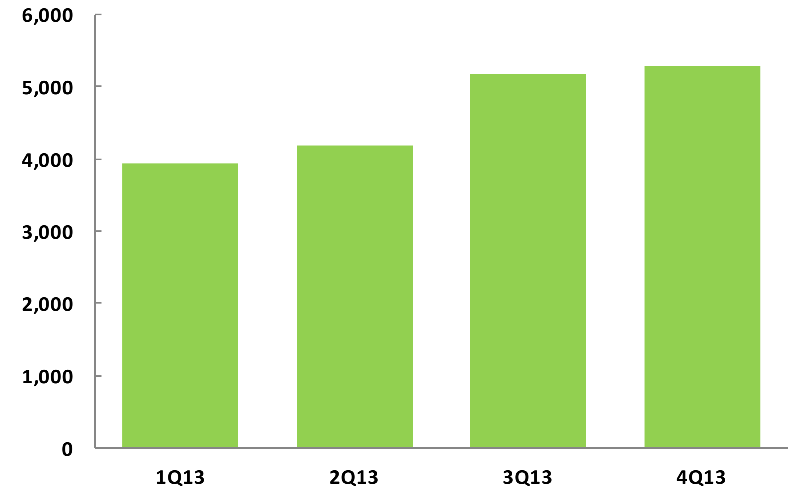
2013 Oil Production

- Estimated total oil production of 1.6 to 1.8 million barrels
- Increase of approximately 40% from 2012
- Oil production expected to decline from current levels of 5,000 Bbl/d during first half of 2013
  - Production delays, shut-ins due to pad drilling, zipper fracs, etc.
- Oil production expected to return to above 5,000 Bbl/d during second half of 2013

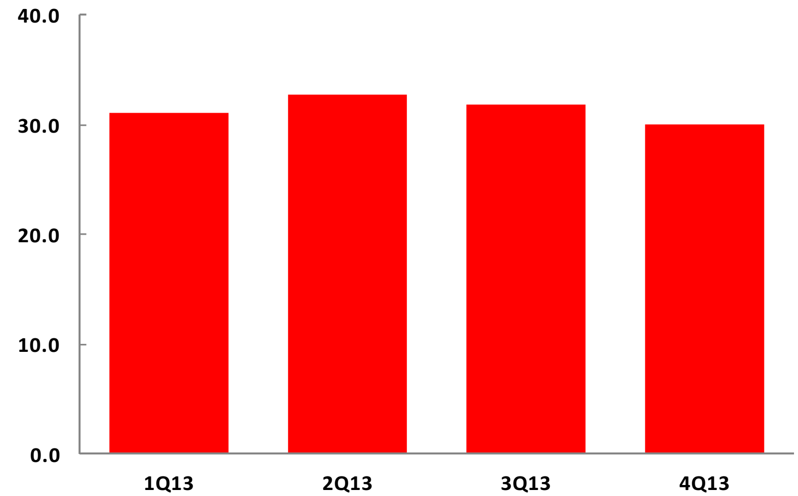
2013 Natural Gas Production

- Estimated total natural gas production of 11.0 to 12.0 Bcf
- Decrease of approximately 8% from 2012
- Gas production expected to remain relatively flat during 2013, but should include higher percentage of liquids-rich gas

Oil Production(1) (Bbl/d)



Natural Gas Production(1) (MMcf/d)



(1) Estimated quarterly average oil and natural gas production at midpoint of guidance range

2013 Financial Expectations

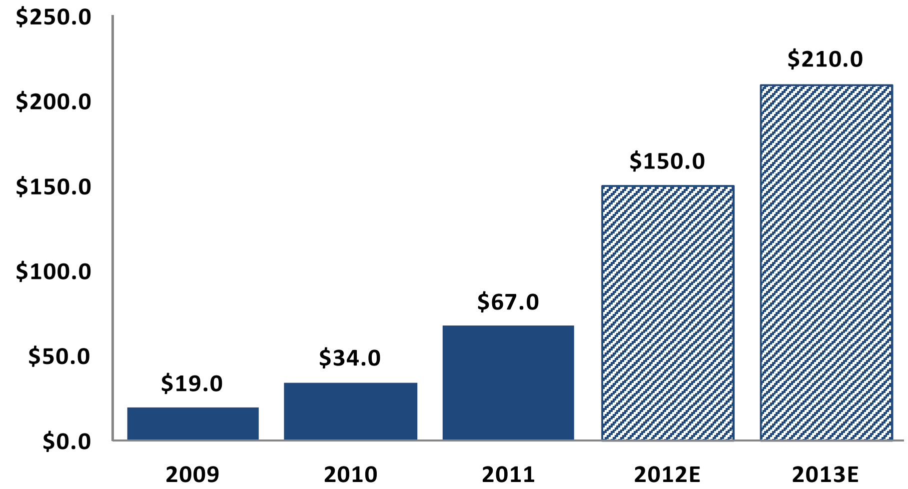
2013 Revenue and Adjusted EBITDA(1)(2)

- Estimated oil and natural gas revenues of $200 to $220 million
  - Increase of approximately 40% from estimated $145 to $155 million in 2012
- Estimated Adjusted EBITDA(1)(2) of $140 to $160 million
  - Increase of approximately 33% from estimated $110 to $115 million in 2012
- Adjusted EBITDA(1)(2) growth expected to be impacted by lower oil price realizations and an estimated decrease of about $13 million in realized hedging gains compared to 2012

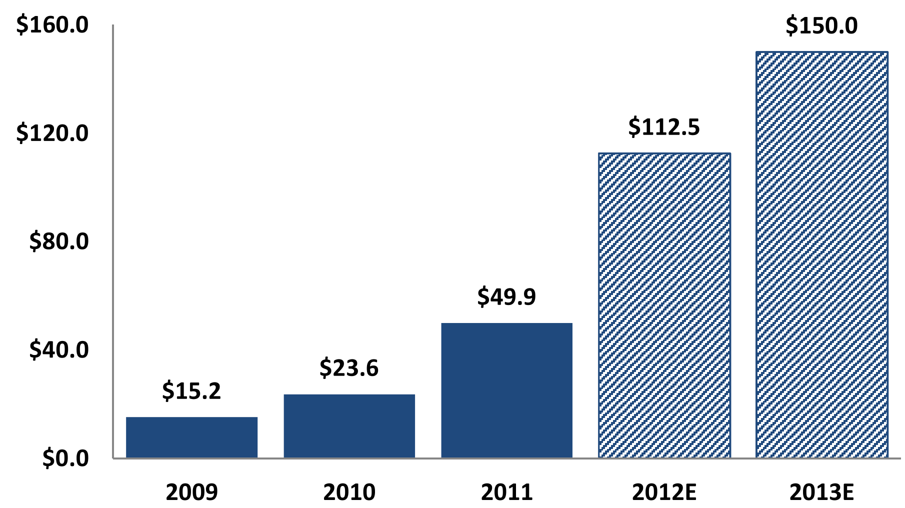
2013 Operating Costs

- Estimated average unit costs per BOE
  - Production taxes/marketing = $4.10
  - Lease operating = $8.20
  - G&A = $4.70
  - Operating cash costs, excluding interest = $17.00
  - DD&A = $29.50

Oil and Natural Gas Revenues(2) (millions)



Adjusted EBITDA(1)(2) (millions)



(1) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to our net (loss) income and net cash provided by operating activities, see Appendix
(2) Estimated 2013 oil and natural gas revenues and Adjusted EBITDA at midpoint of production guidance range using late November 2012 strip prices for oil and natural gas, plus property-specific differentials. Estimated average realized prices for oil and natural gas were $94.00/Bbl and $4.43/Mcf, respectively

Funding for 2013 Capital Investment Plan

- **Maintain financial discipline by anticipated funding of 2013 capital expenditures through operating cash flows and borrowings under revolving credit facility**
  - Most of 2013 Eagle Ford program is development drilling and largely de-risked by 2012 results
  - 1.5 million barrels of 2013 oil production hedged protecting cash flows below about $88/Bbl oil price
- **Credit facility status at December 6, 2012**
  - Borrowing base of $200 million; total facility size of $500 million; facility matures in December 2016
  - Negotiating borrowing base increase expected to close before December 31, 2012
  - Borrowings outstanding of $135 million
  - Estimated borrowings outstanding of $150 to $160 million at December 31, 2012
- **Ability to request quarterly borrowing base increases with growth in oil and natural gas reserves throughout 2013**
  - Estimated borrowings outstanding of $310 to $320 million at YE 2013
- **Additional flexibility to manage liquidity**
  - No long-term drilling rig or service contract commitments
  - $25 million estimated for discretionary land/seismic acquisitions
  - No significant non-operated well obligations
- **Simple capital structure; no high-yield debt or convertibles on balance sheet**

2013 Hedging Profile

- 1.5 million barrels of oil hedged for 2013 at weighted average floor and ceiling of $88/Bbl and $107/Bbl, respectively
- 4.7 Bcf of natural gas hedged at weighted average floor and ceiling of $3.34/MMBtu and $4.84/MMBtu, respectively
- 4.9 million gallons of natural gas liquids hedged at weighted average price of $0.79/gal

Oil Hedges (Costless Collars)	FY 2013
Total Volume Hedged by Ceiling (Bbl)	1,260,000
Weighted Average Price ($ / Bbl)	$110.26
Total Volume Hedged by Floor (Bbl)	1,260,000
Weighted Average Price ($ / Bbl)	$87.14

Oil Hedges (Swaps)	FY 2013
Total Volume Hedged (Bbl)	240,000
Weighted Average Price ($ / Bbl)	$90.43

Natural Gas Hedges (Costless Collars)	FY 2013
Total Volume Hedged by Ceiling (Bcf)	4.65
Weighted Average Price ($ / MMBtu)	$4.84
Total Volume Hedged by Floor (Bcf)	4.65
Weighted Average Price ($ / MMBtu)	$3.34

Natural Gas Liquids (NGLs) Hedges (Swaps)	FY 2013
Total Volume Hedged (gal)	4,864,800
Weighted Average Price ($ / gal)	$0.79

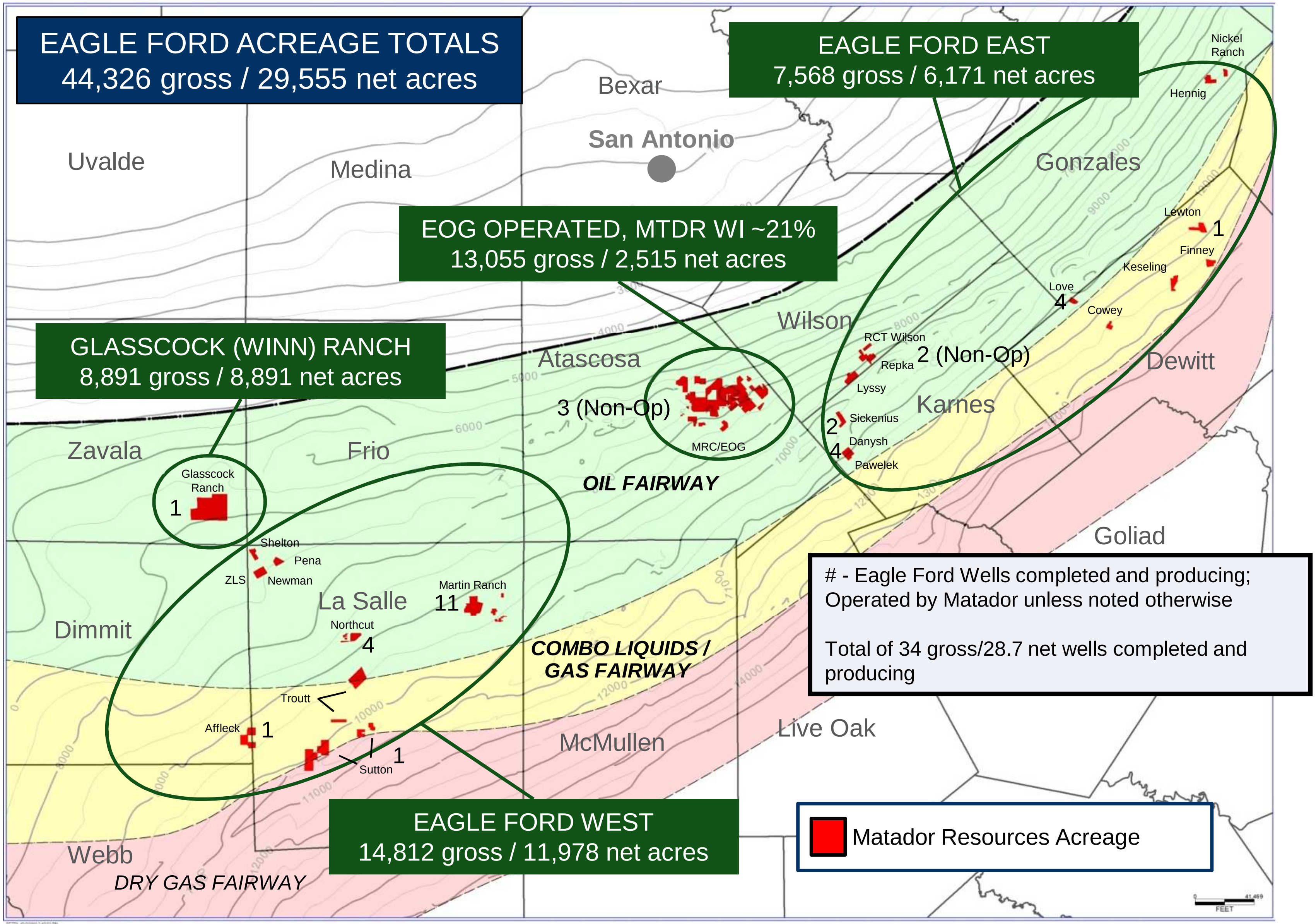
Continued Oil/Liquids Focus to Fuel 2013 Growth

	2013 Anticipated Drilling			2013E CapEx (in millions)	
	Gross Wells	Net Wells			
	Total	Total	%	Total	%
South Texas					
Eagle Ford Shale	31.0	25.8	82.4%	$217.0	70.1%
Austin Chalk, Buda, Edwards	3.0	1.6	5.1%	$5.9	1.9%
Facilities/Pipelines/Etc.	-	-	-	$19.8	6.4%
Area Total	34.0	27.4	87.5%	$242.7	78.4%
West Texas/Southeast New Mexico					
Bone Spring/Wolfcamp	3.0	3.0	9.6%	$30.2	9.8%
Facilities/Pipelines/Etc.	-	-	-	$5.4	1.7%
Area Total	3.0	3.0	9.6%	$35.6	11.5%
Northwest Louisiana					
Haynesville Shale	10.0	0.5	1.6%	$5.1	1.7%
Southwest Wyoming					
Meade Peak Shale	1.0	0.4	1.3%	$1.0	0.3%
Other					
Land/Seismic/Etc.	-	-	-	$25.0	8.1%
Total	**48.0**	**31.3**	**100.0%**	**$309.4**	**100.0%**

2013 South Texas Plan

- **2013 projected capital expenditures of approximately $250 million or about 80% of total**
  - Drill and complete or participate in 34 gross/27.4 net wells
  - Assumes about 33% of 2013 land/seismic budget will be directed to South Texas
  - Most of 2013 Eagle Ford program is development drilling and largely de-risked by 2012 results
- **Almost all of South Texas capital budget directed to Eagle Ford shale**
- **Three exploratory tests planned in Austin Chalk, Buda, Edwards at cost of about $8 million**
  - Austin Chalk test will be an operated well; Buda, Edwards tests are outside operated
- **Key objectives of 2013 South Texas plan**
  - Capitalize on experience to improve well performance and operational efficiencies in the Eagle Ford
    - Sequential drilling operations (e.g., pad drilling) on key properties to continue to reduce drilling costs
    - Sequential, simultaneous stimulation operations (e.g., zipper fracs) to reduce costs, eliminate shut-in periods and reduce recovery times for existing wells and eliminate need to stimulate across wells multiple times
  - Continue to study and test other horizons and to address lease maintenance issues, particularly on properties scheduled for further development in 2014 and beyond
  - Leverage technology to increase recovery of hydrocarbons in place

Matador's Producing Eagle Ford Wells in South Texas



Note: All acreage values, number of producing wells and number of estimated Eagle Ford drilling locations at November 30, 2012. Net wells reflect Matador's working interest ownership

2013 South Texas Drilling Plan

EAGLE FORD ACREAGE TOTALS
44,326 gross / 29,555 net acres

- Gross wells planned in 2013; All Matador operated Eagle Ford wells unless noted otherwise

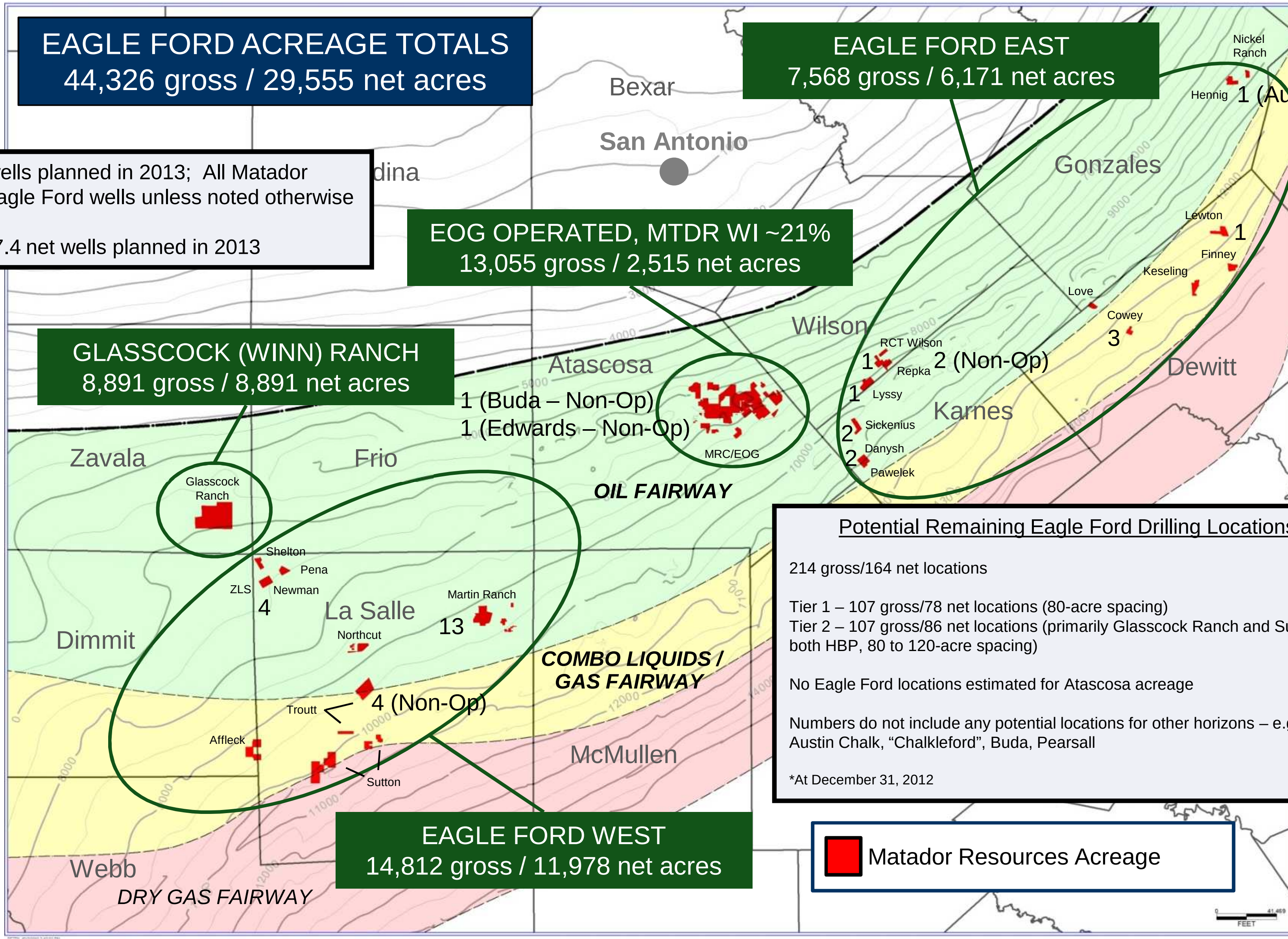
34 gross/27.4 net wells planned in 2013

EAGLE FORD EAST
7,568 gross / 6,171 net acres

EOG OPERATED, MTDR WI ~21%
13,055 gross / 2,515 net acres

GLASSCOCK (WINN) RANCH
8,891 gross / 8,891 net acres

EAGLE FORD WEST
14,812 gross / 11,978 net acres



Potential Remaining Eagle Ford Drilling Locations

214 gross/164 net locations

Tier 1 – 107 gross/78 net locations (80-acre spacing)
Tier 2 – 107 gross/86 net locations (primarily Glasscock Ranch and Sutton, both HBP, 80 to 120-acre spacing)

No Eagle Ford locations estimated for Atascosa acreage

Numbers do not include any potential locations for other horizons – e.g., Austin Chalk, "Chalkleford", Buda, Pearsall

*At December 31, 2012

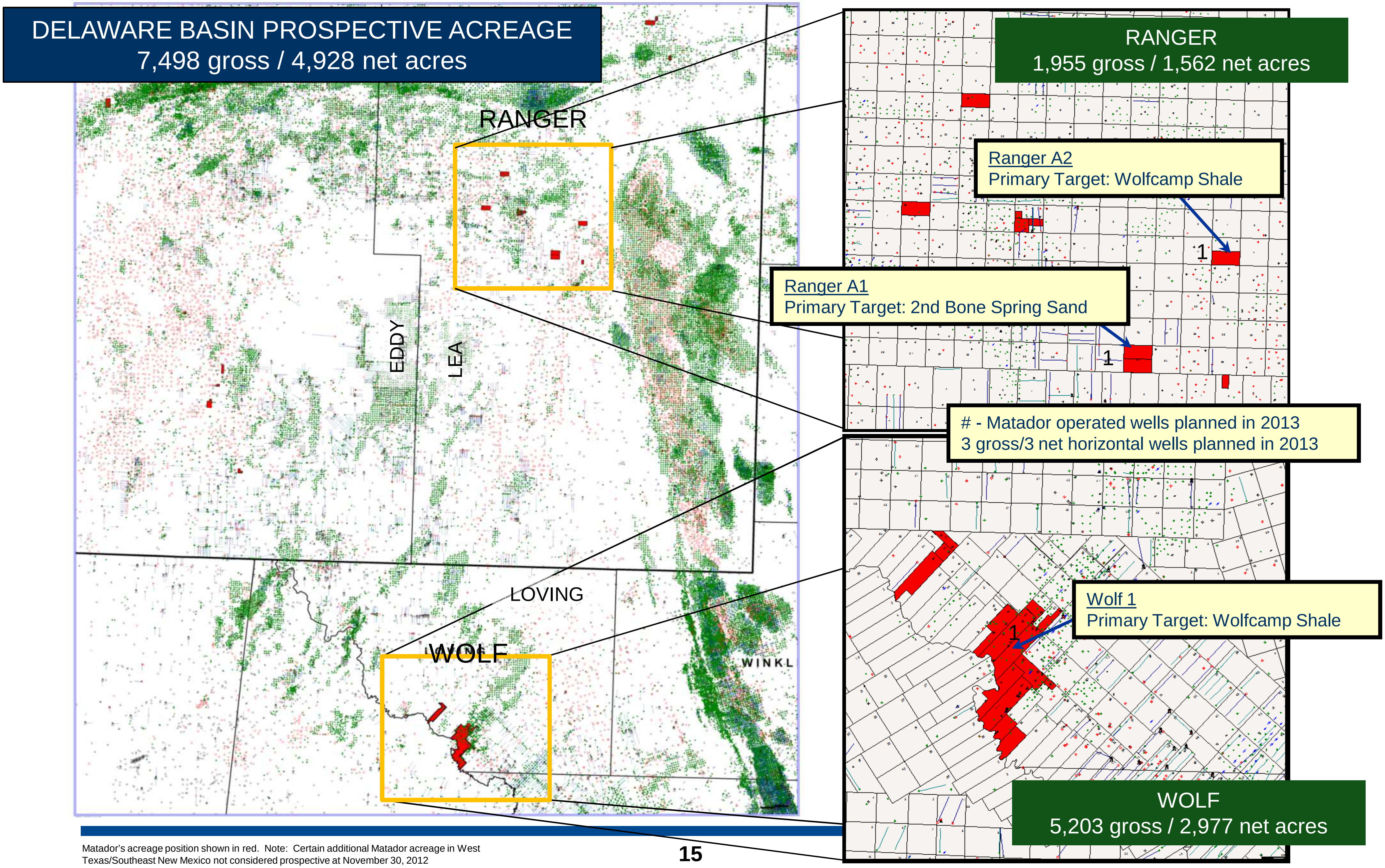
Matador Resources Acreage

Note: All acreage values, number of producing wells and number of estimated Eagle Ford drilling locations at November 30, 2012. Net wells reflect Matador's working interest ownership

2013 Delaware Basin Plan

- **2013 projected capital expenditures of approximately $48 million or about 15% of total**
  - Drill and complete 3 gross/3 net test wells
  - Assumes about 50% of 2013 land/seismic budget will be directed to West Texas
- **Key objectives of 2013 Delaware Basin plan**
  - Leverage and transfer knowledge from Eagle Ford and Haynesville experience to Delaware Basin and begin testing acreage position
    - Multiple targets in Wolfcamp and Bone Spring and 3-well program will test both
    - Drill wells, gather core and petrophysical data and monitor initial results; build necessary infrastructure before starting continuous drilling
    - If tests are successful, would set up 2014 (and beyond) continuous drilling program
  - Satisfy lease maintenance on Ranger prospect and acquire additional interests in Wolf and Ranger prospect areas
    - Approximately 90% of Wolf prospect is HBP and the remaining 10% was leased in 2012, so no near-term time constraints
  - Acquire additional interests in Delaware Basin with success on initial test wells

Delaware Basin Acreage and 2013 Drilling Plan



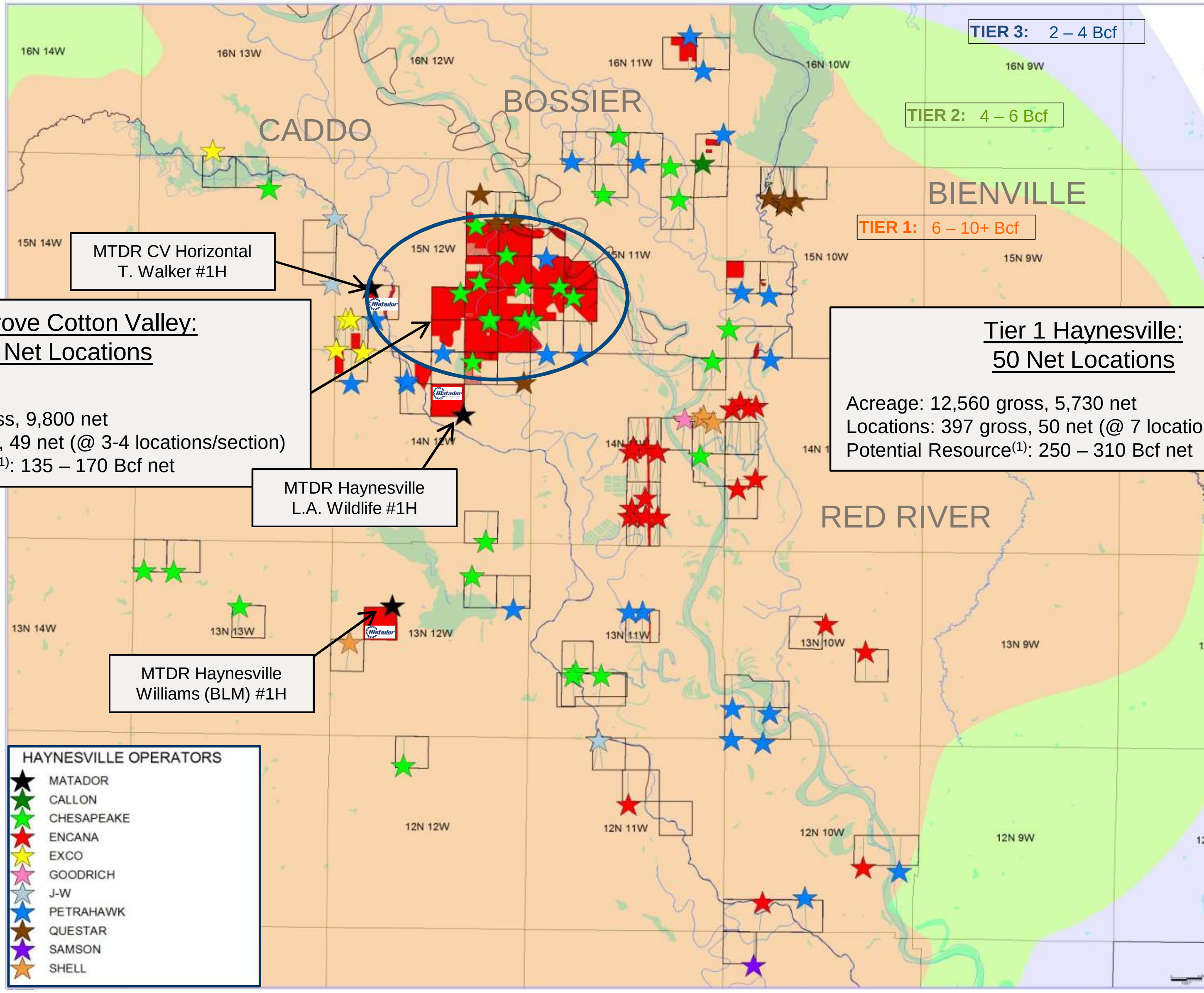
Matador's acreage position shown in red. Note: Certain additional Matador acreage in West Texas/Southeast New Mexico not considered prospective at November 30, 2012

2013 Tier 1 Haynesville Shale Plan

- **2013 projected capital expenditures of approximately $5 million or about 2% of total**
  - Estimated participation in 10 gross/0.5 net wells
  - 2013 capital plan includes no Matador operated Haynesville wells
- **Haynesville/Cotton Valley acreage in Northwest Louisiana and East Texas is essentially all held by existing production**
- **Operational flexibility to drill operated Haynesville shale well(s) in 2013 should gas prices continue to improve**
- **Haynesville/Cotton Valley represent large "gas bank" providing significant and increasing value if gas prices return to $4.00/Mcf and higher**
  - Tier 1 Haynesville potential resource(1) – 250 to 310 Bcf net to Matador
  - Tier 1 + Tier 3 Haynesville potential resource(1) – 470 to 600 Bcf net to Matador
  - Elm Grove Cotton Valley potential resource(1) – 135 to 170 Bcf net to Matador

(1) Potential resource should not be considered proved natural gas reserves. Potential resource may be converted to proved natural gas reserves as a result of successful drilling operations and higher natural gas prices
Note: Matador does not include any of this potential resource in its proved natural gas reserves at September 30, 2012

Tier 1 Haynesville and Elm Grove Cotton Valley Acreage Positions



MTDR CV Horizontal
T. Walker #1H

Elm Grove Cotton Valley:
49 Net Locations

Matador Operated
Acreage: 9,980 gross, 9,800 net
Locations: 71 gross, 49 net (@ 3-4 locations/section)
Potential Resource[1]: 135 – 170 Bcf net

MTDR Haynesville
L.A. Wildlife #1H

MTDR Haynesville
Williams (BLM) #1H

Tier 1 Haynesville:
50 Net Locations

Acreage: 12,560 gross, 5,730 net
Locations: 397 gross, 50 net (@ 7 locations/section)
Potential Resource[1]: 250 – 310 Bcf net

(1) Potential resource should not be considered proved natural gas reserves. Potential resource may be converted to proved natural gas reserves as a result of successful drilling operations and higher natural gas prices
Note: Matador does not include any of this potential resource in its proved natural gas reserves at September 30, 2012

Note: All acreage at November 30, 2012



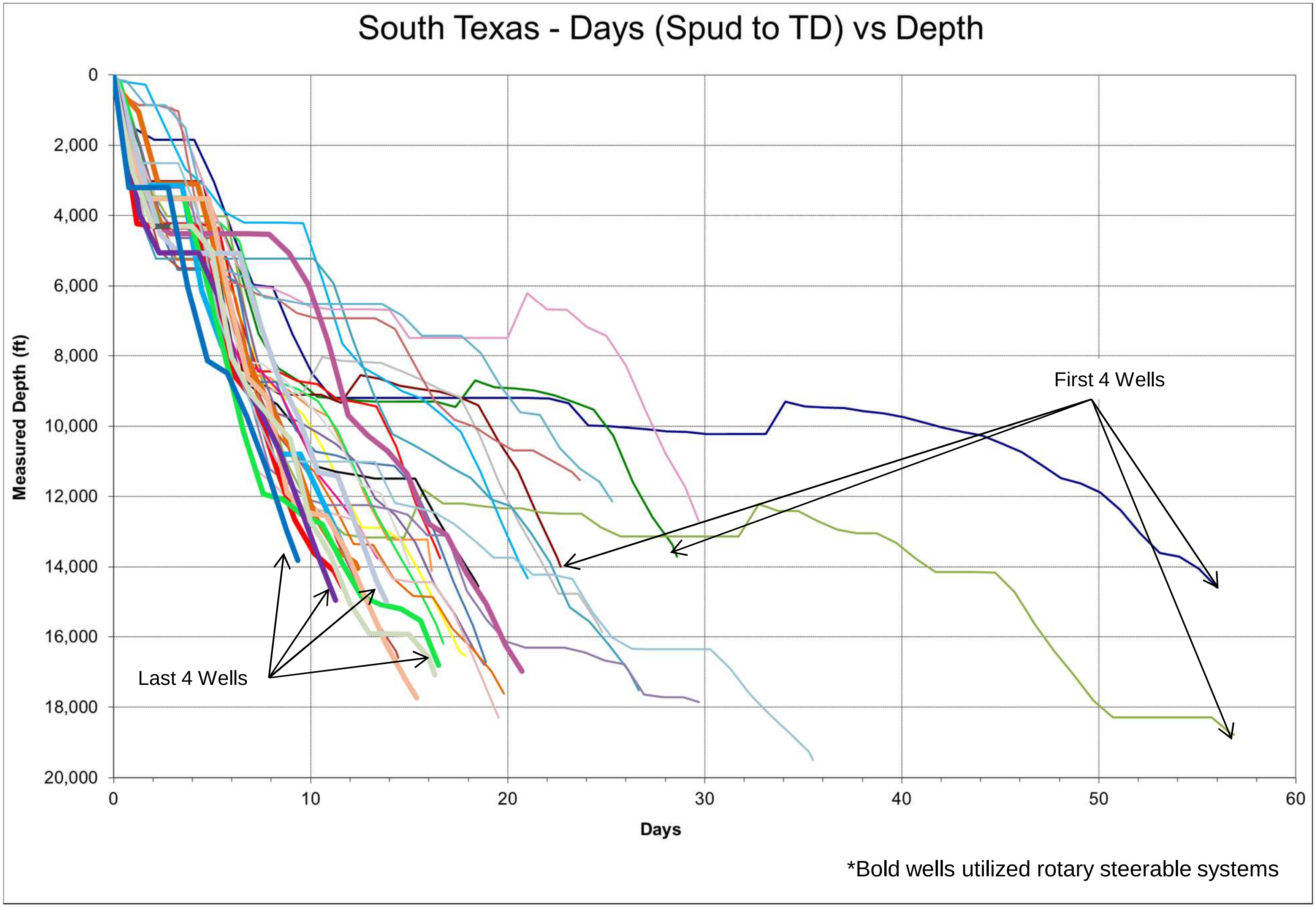
Eagle Ford Operations

South Texas

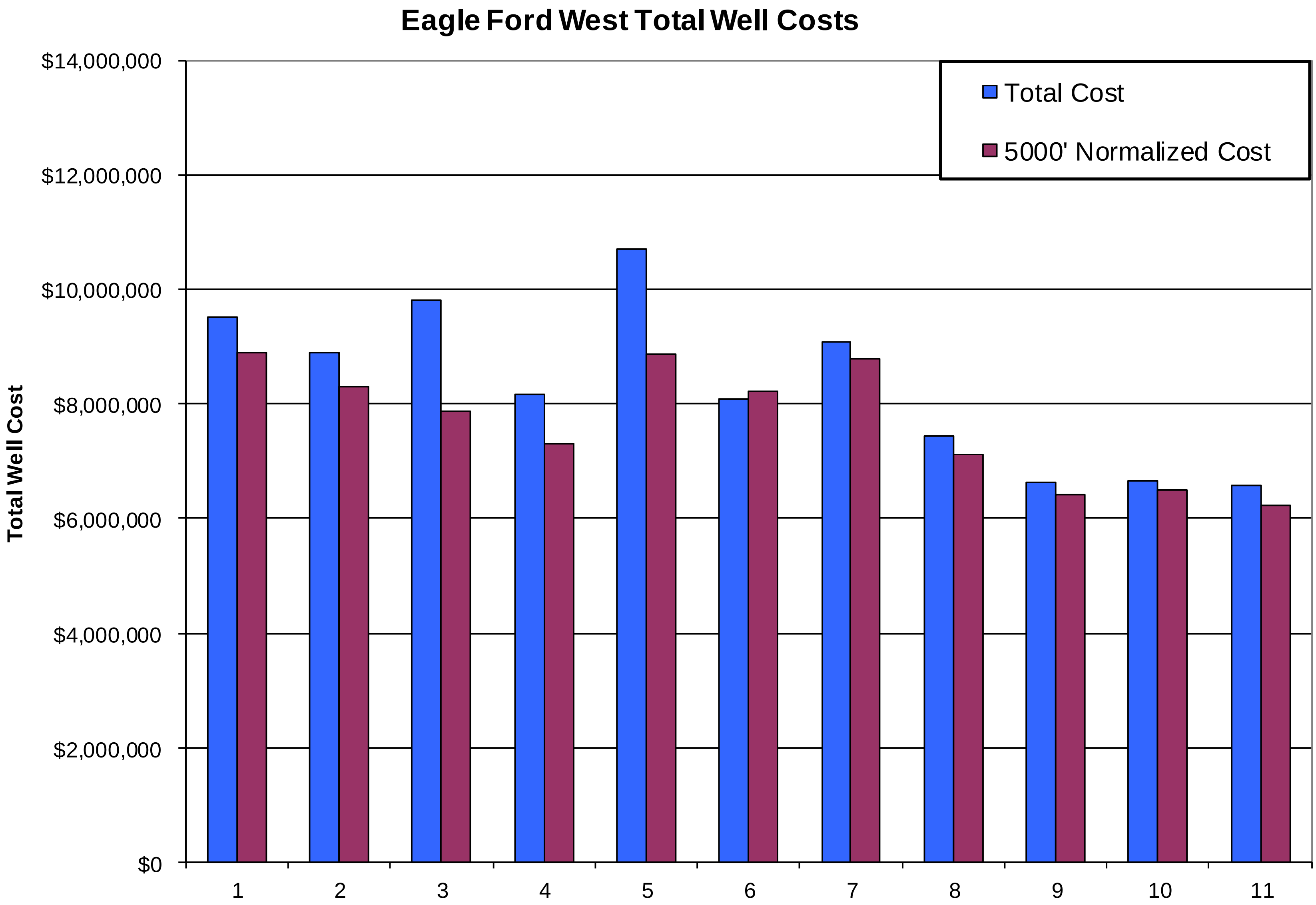
2012 Drilling Program Takeaways

- Reduced drill times and costs related to operational efficiency
- Rotary steerable tools have specific advantages
- Improved fracture stimulation efficiency and cost reductions
- Fluid volume utilized in fracture stimulation affects well performance
- Improvements realized with closer perforation cluster spacing
- Benefits of bottom hole pressure management via restricted chokes
- Interference evident while fracture stimulating offset wells
- Artificial lift will be necessary and should add value
- Program style drilling and completing should be advantageous

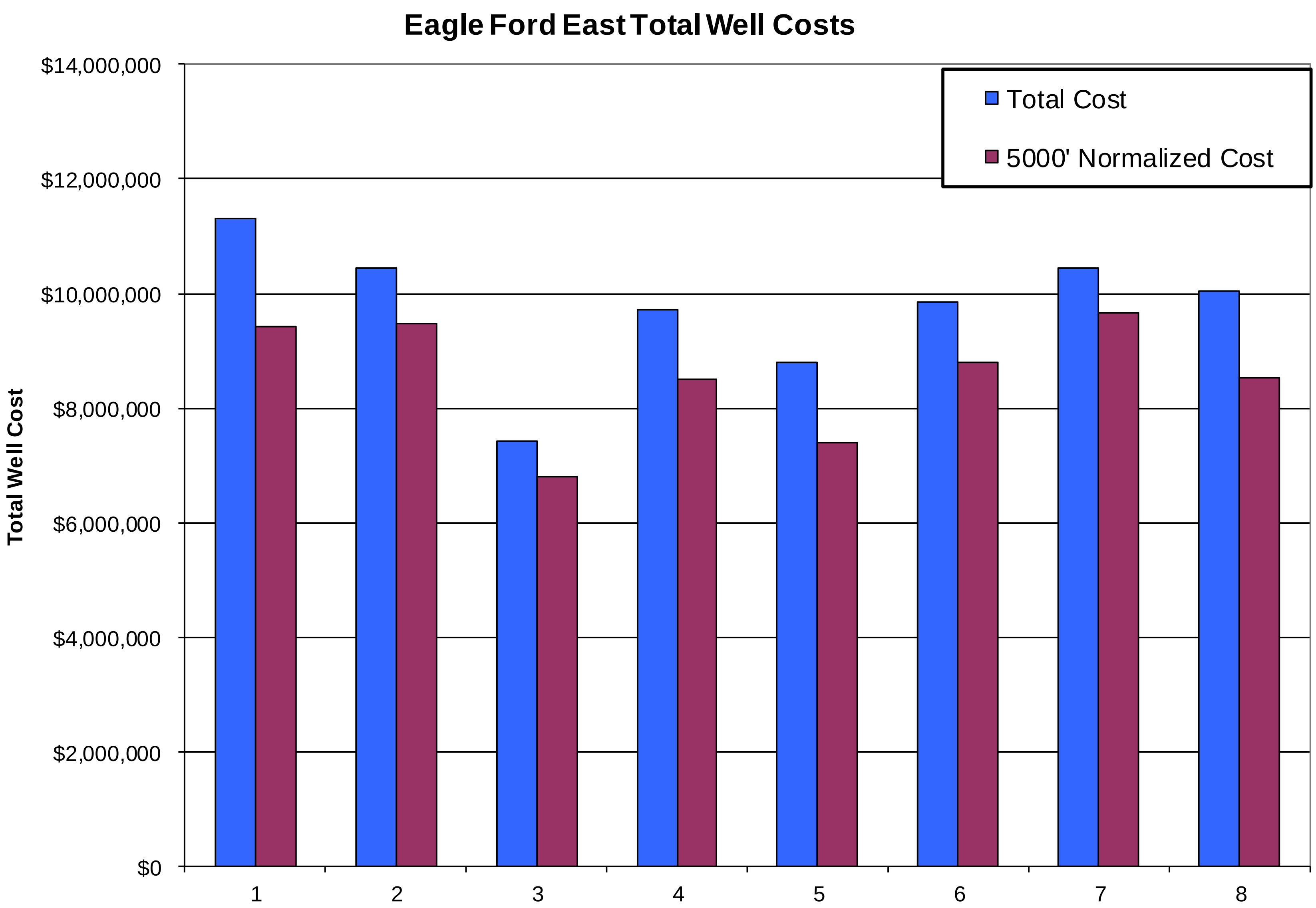
Drilling Times and Efficiencies



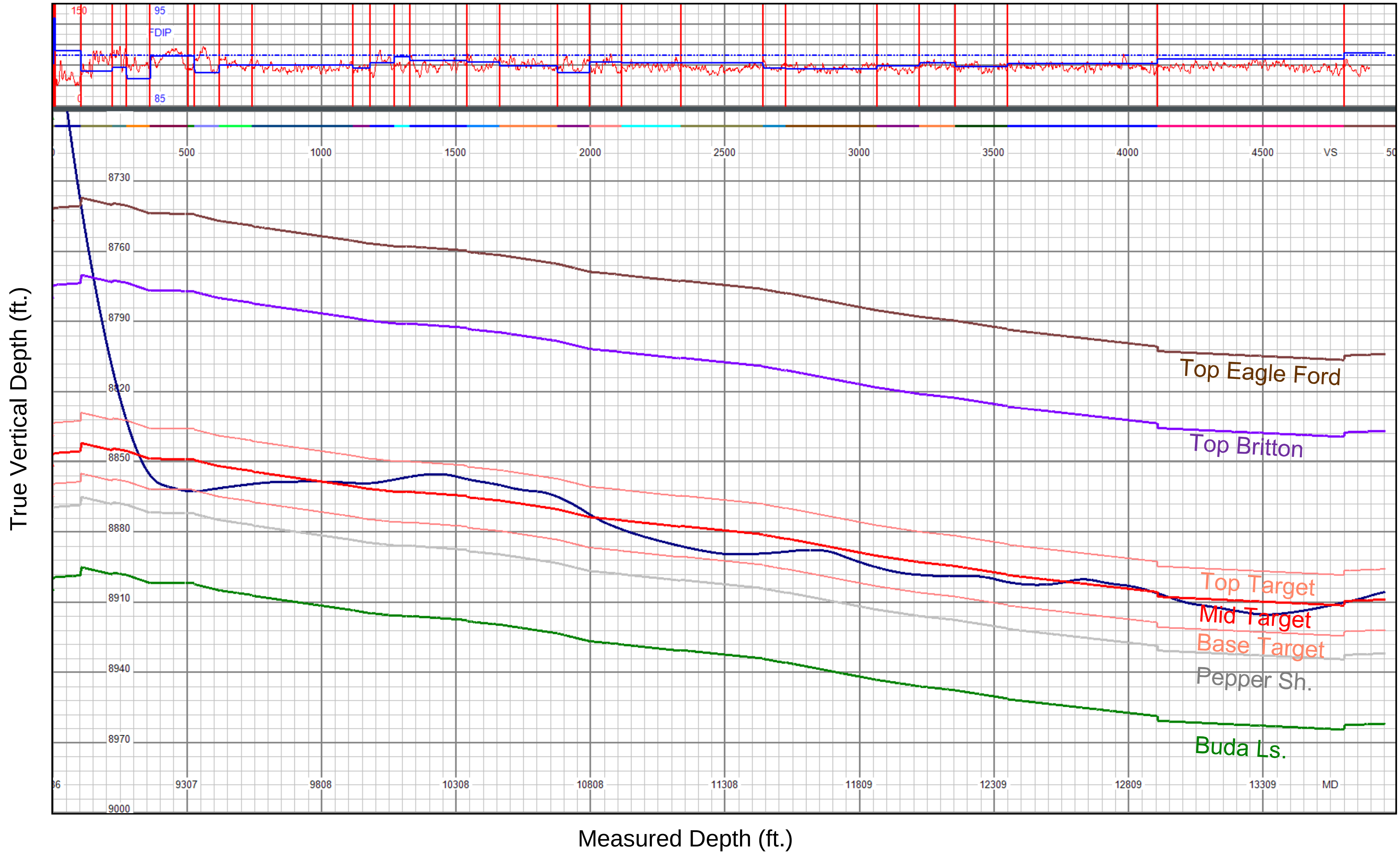
2012 Normalized Well Costs



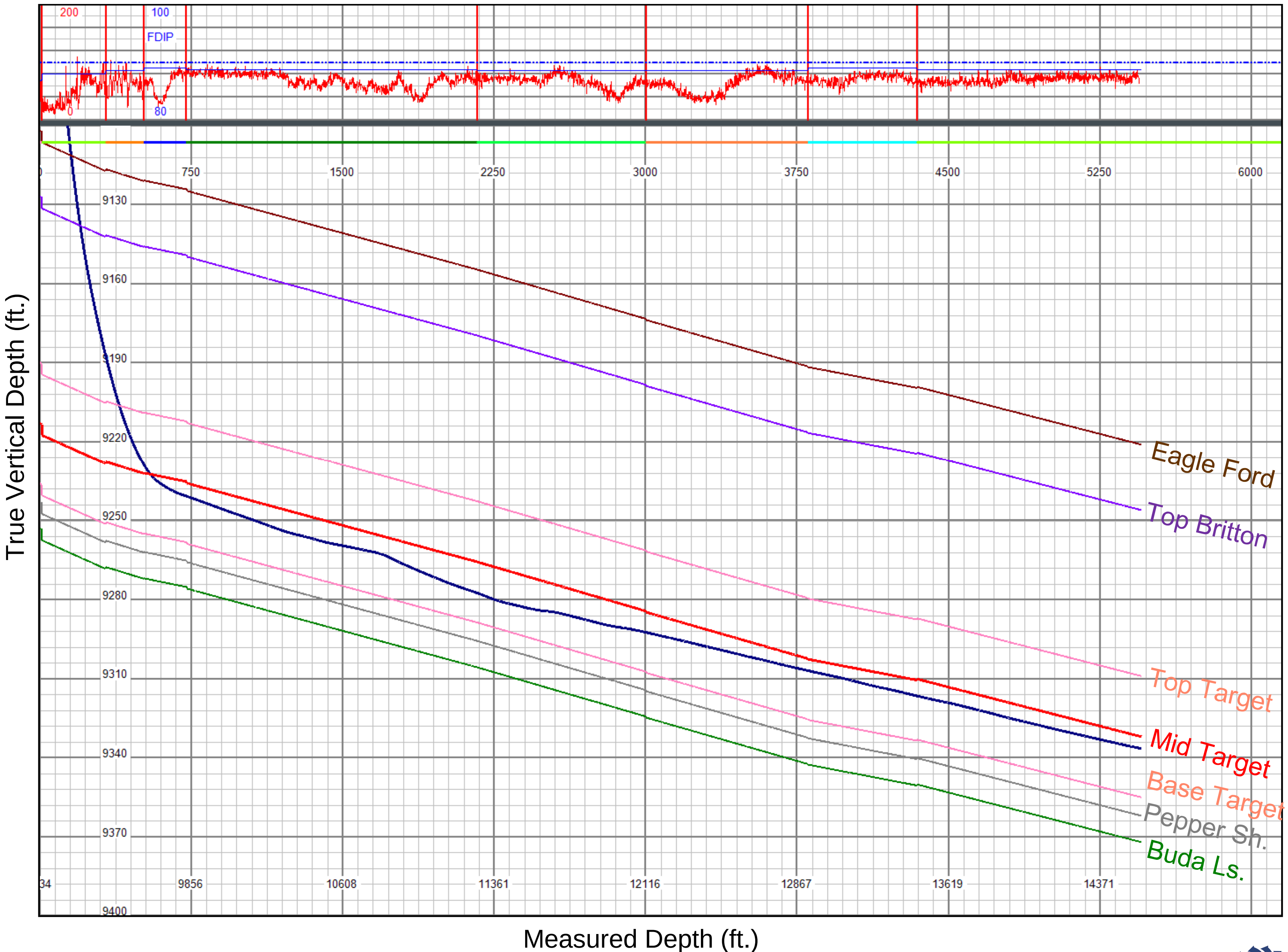
2012 Normalized Well Costs



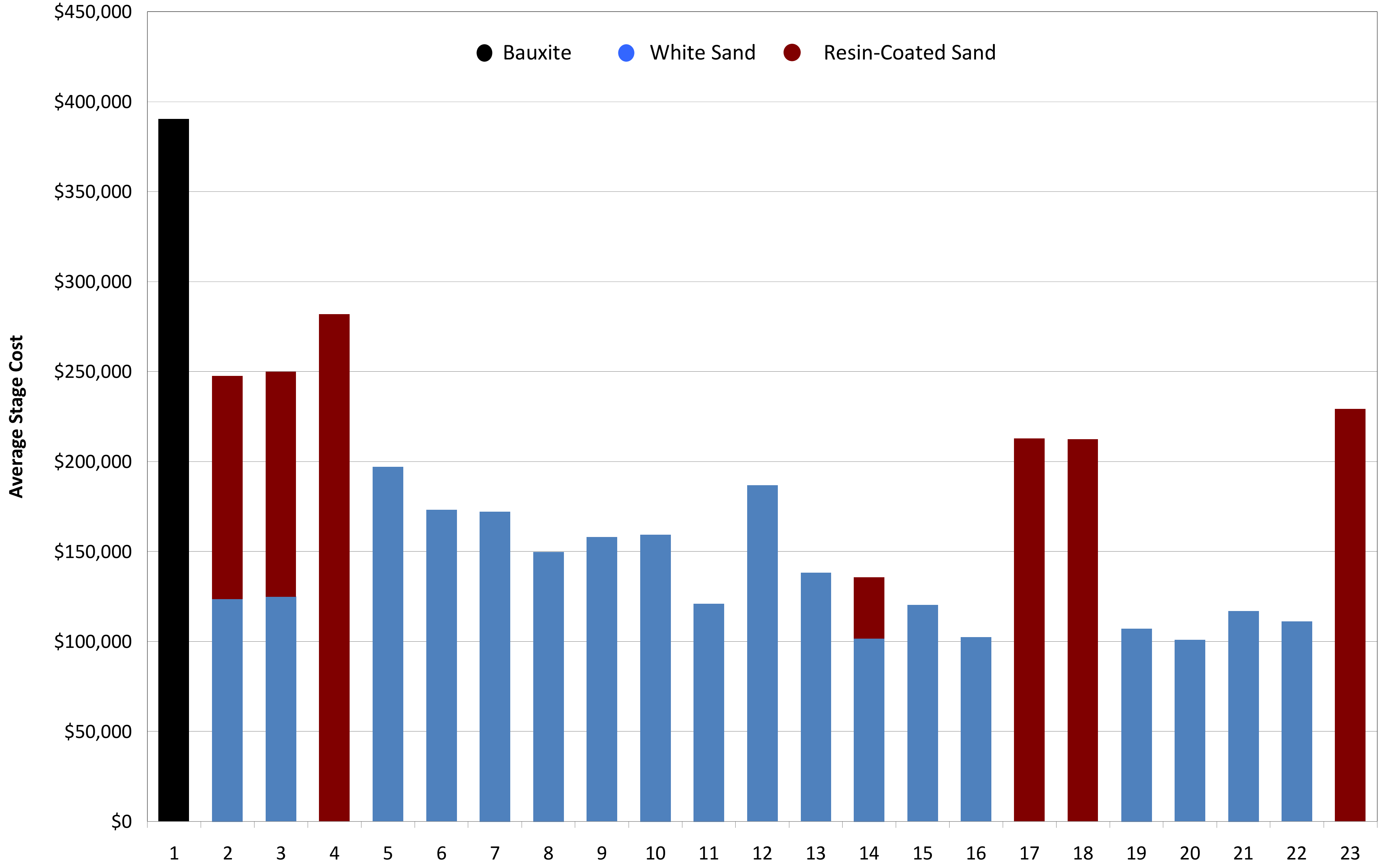
Geo-Steering - Conventional Directional Tools



Geo-Steering - Rotary Steerable Directional Tools

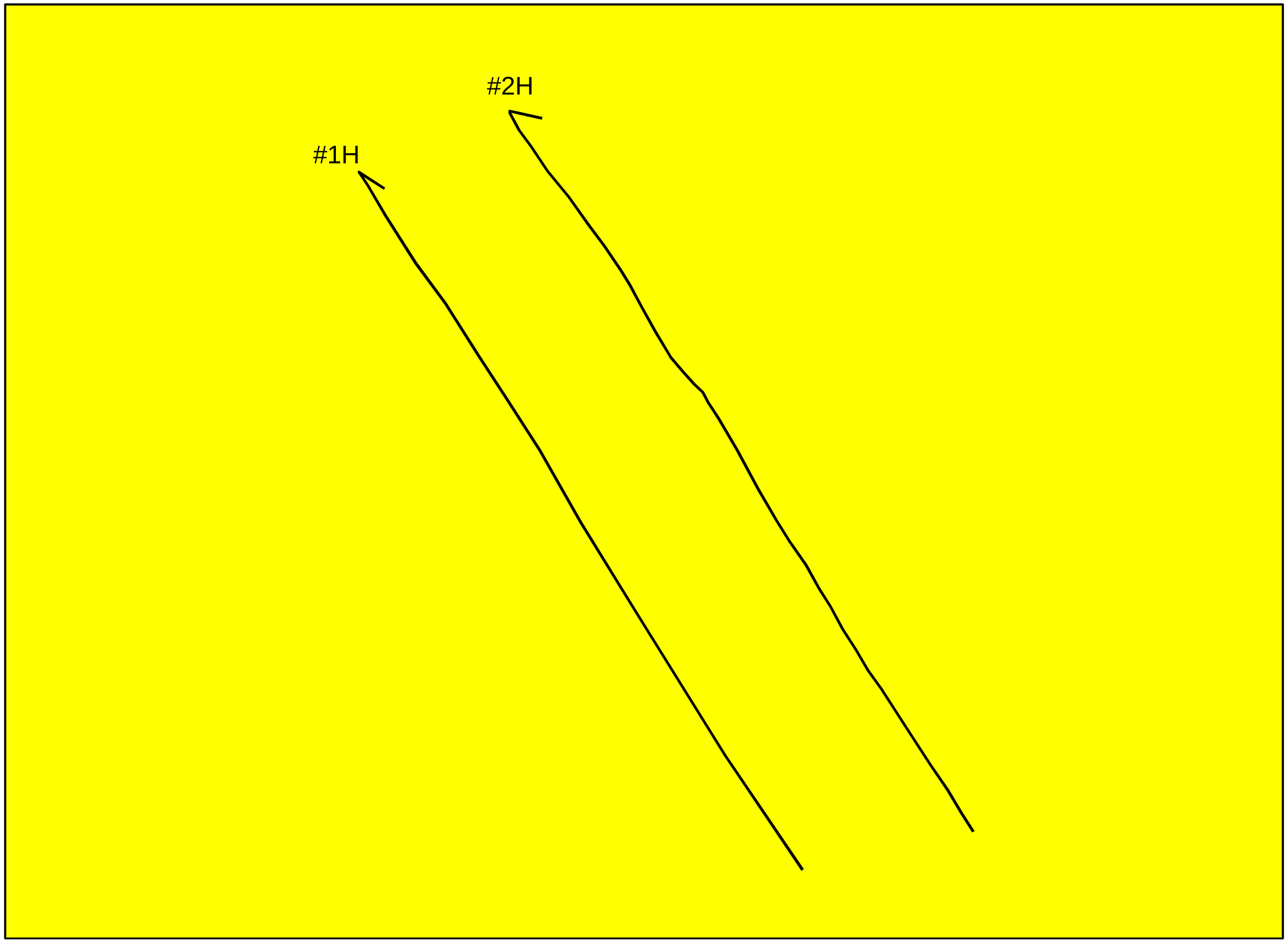


Average Frac Stage Cost per Well



Note: Wells are displayed in chronological order

Fracture Stimulation Comparison



Stimulation Design Evaluation

	Completed Lateral (ft)	Stages	Cluster Spacing (ft)	Total Clusters	Clean Volume/Stg (bbl)	Proppant 100 mesh (lbs)	Proppant White Sand (lbs)	Proppant RC Sand (lbs)
Well No. 1H	5712	19	49	111	5189	0	361909	0
Well No. 2H	5980	25	40	150	7538	48223	334524	0

	Maximum PPG	Rate/Cluster (bpm)	Proppant/Cluster (lbs)	Proppant/ft (lbs)	Clean Vol/Cluster (bbl)	Clean Vol/ ft (bbl)	Cost/Stg ($)	Cost/ft ($)
Well No. 1H	3	10.4	60,318	1,219	865	17	$154,077	$519
Well No. 2H	3	11.8	63,791	1,724	1,256	34	$122,085	$550

- Well No. 1H – 5,200 BBL / 400,000 lb. frac. 49 foot cluster spacing
- Well No. 2H – 7,500 BBL / 350,000 lb. white sand + 50,000 lb. 100 mesh. 40 foot cluster spacing
- Well No. 2H communicated with Well No. 1H during frac
- Well No. 1H production temporarily went from 100 BOPD to 0 BOPD and from 10 BWPD to over 100 BWPD
- Well No. 1H production relatively normal after flow-back on Well No. 2H

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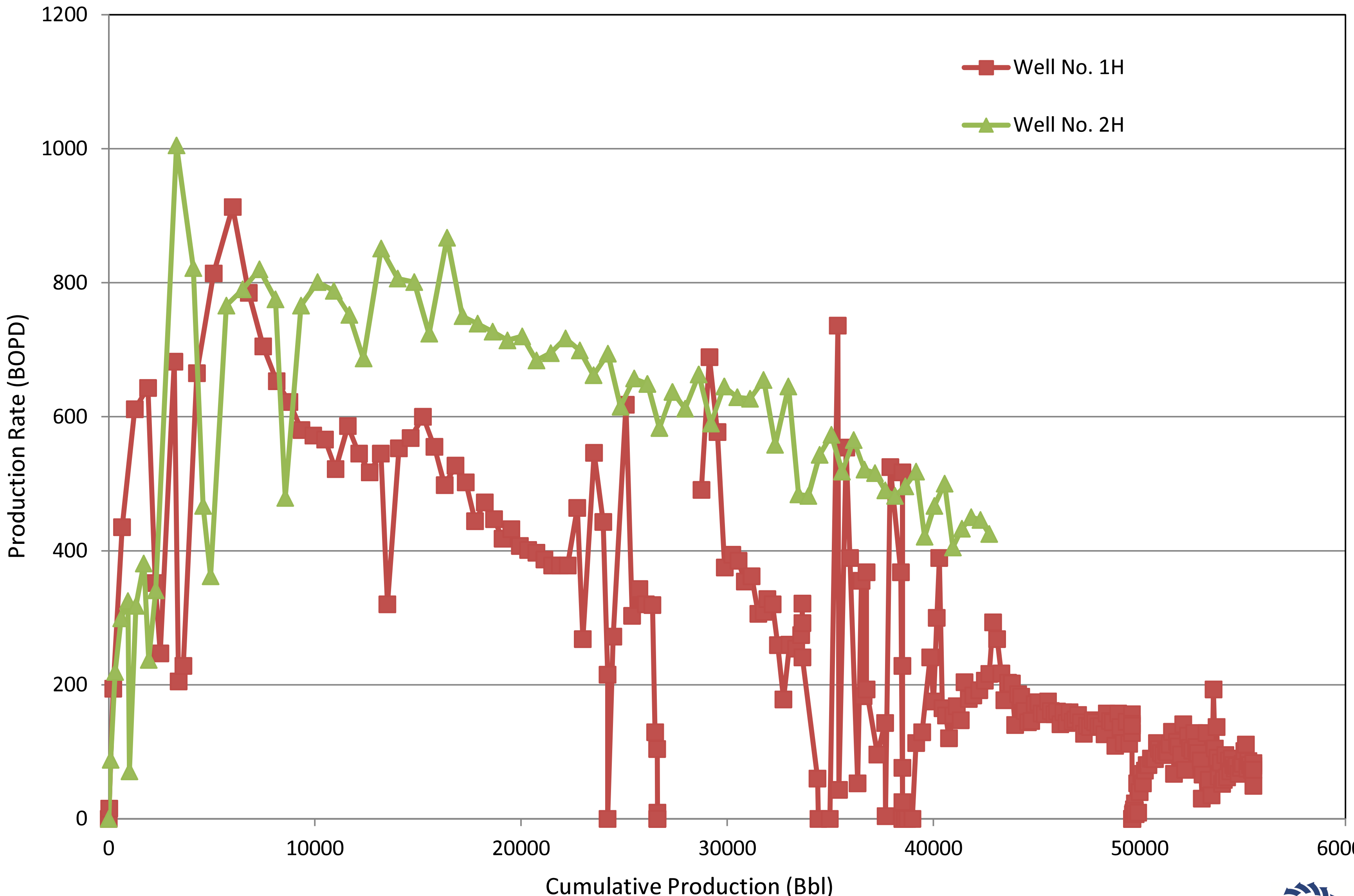
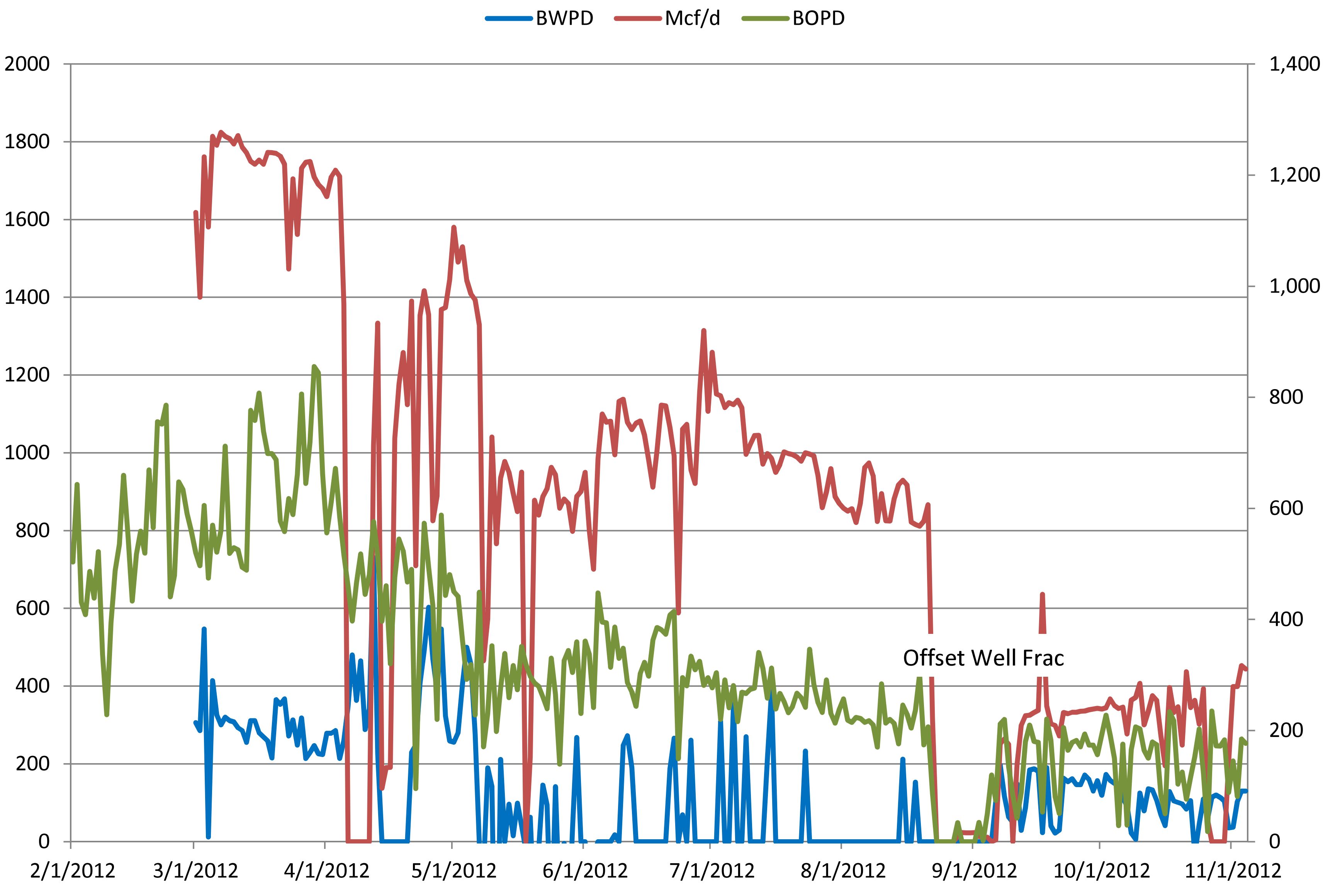
Fluid Volumes/Tighter Spacing/Restricted Choke
Cumulative Production Comparison

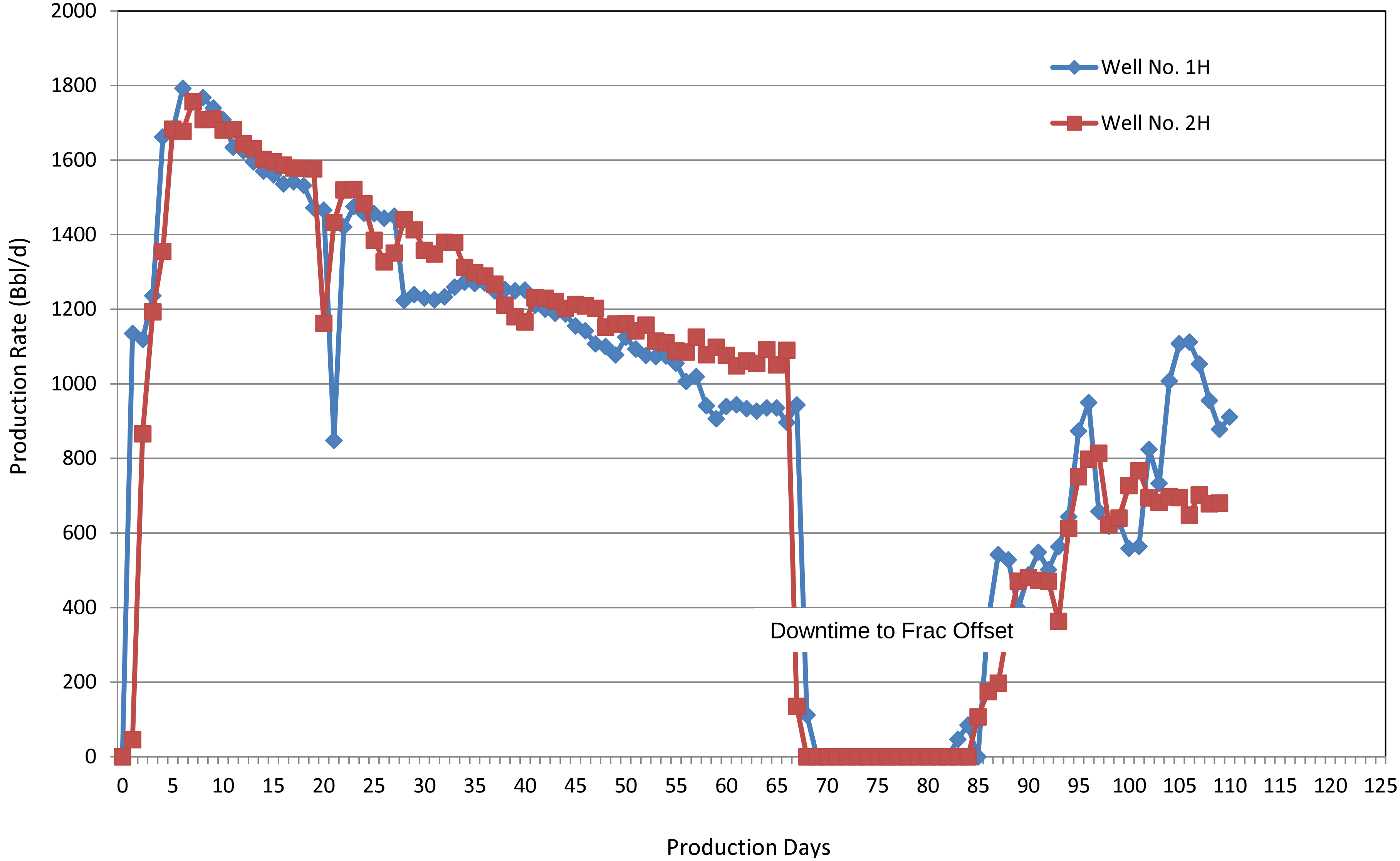


Note: Through November 30, 2012

Offset Well Frac Effects



Zipper Frac/Back to Back and Associated Downtimes



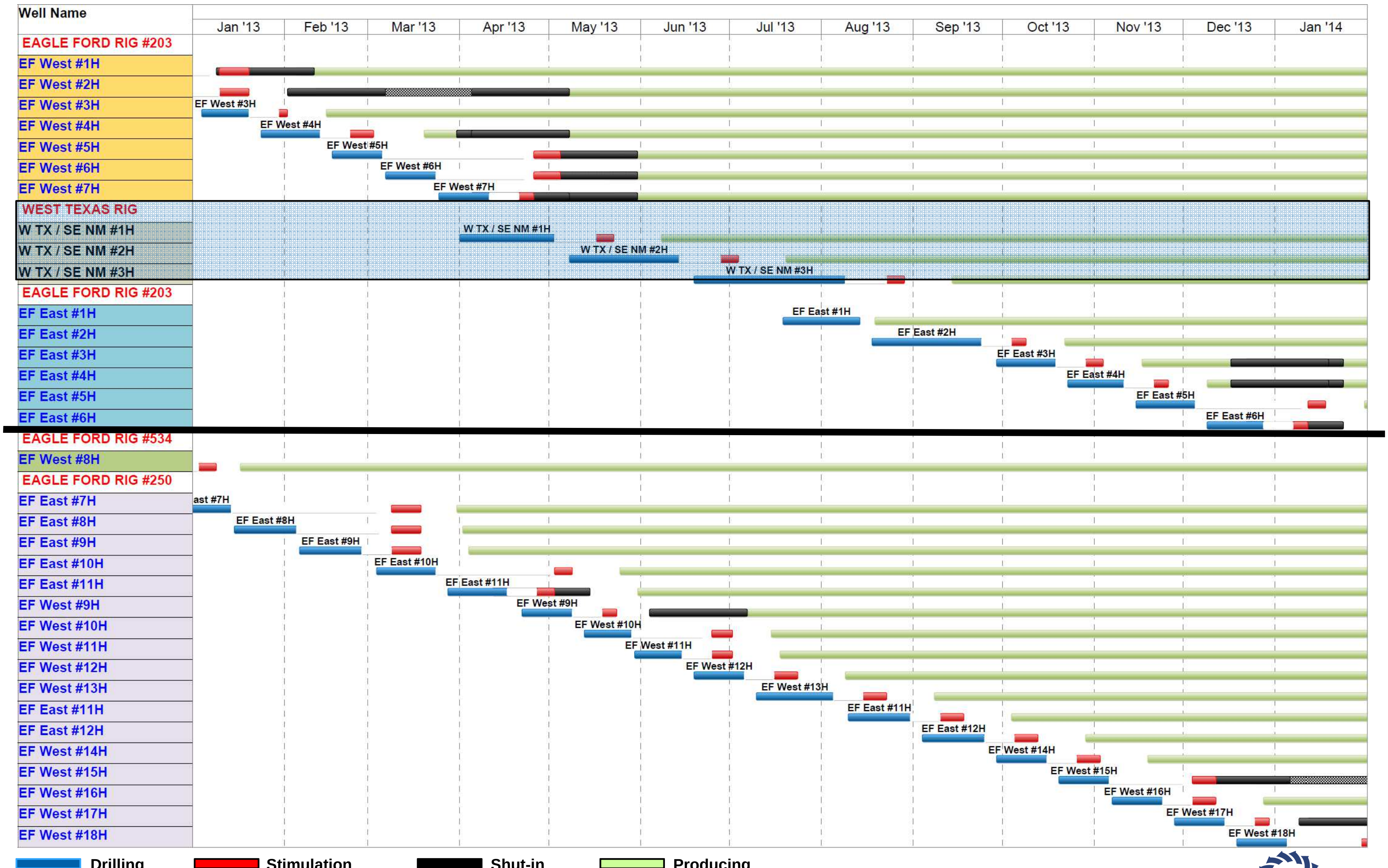
Artificial Lift and Production Management

Artificial Lift

- **Eleven wells on rod pump**
- **Evaluating gas lift and electrical submersible pumps**
- **Challenges**
  - Flow characteristics during flowing to pumping operations transition
  - Mechanical issues related to rod pumping
  - Scale and paraffin
  - Offset frac effects
- **Solutions**
  - Restricted choke flow delays need for artificial lift
  - Installing pump-off controllers on pumping units to maintain fluid levels
  - Treating frac fluid and pumping wellbores with chemical additions
  - Evaluating shut-in times prior to offset fracs

Matador 2013 Planned Operated Drilling Schedule

2-rig equivalent drilling program in 2013; Delaware Basin program starting in Q2 2013

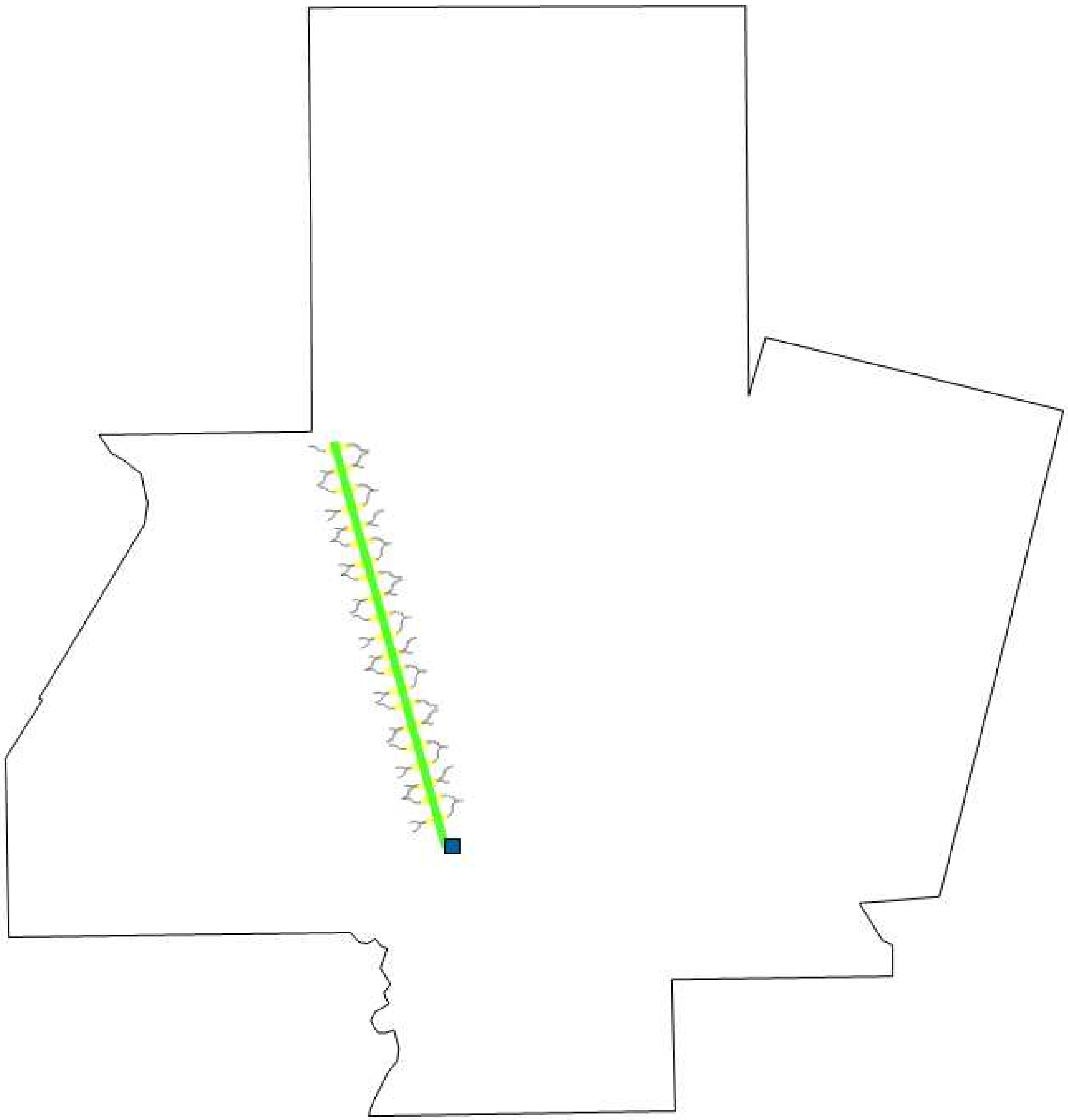


Note: The Company's 2013 drilling schedule is based on management's current expectations regarding the time necessary to drill, fracture and complete each well, as well as the time adjacent wells will be shut in as a result of fracking operations

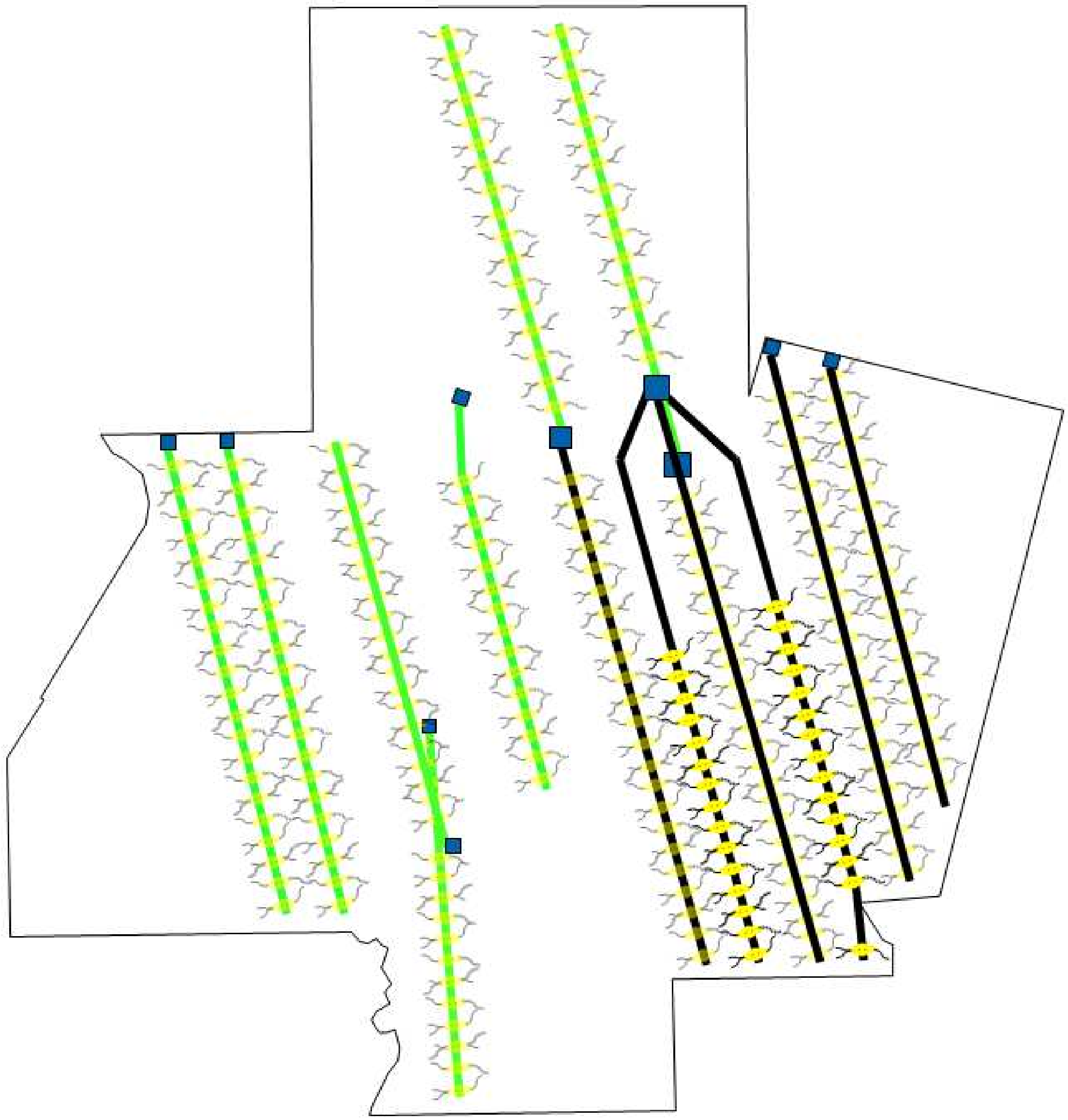
Matador South Texas Operated Drilling Schedule

Note: Includes wells drilled or completed by December 31, 2012. The Company's 2013 drilling schedule is based on management's current expectations regarding the time necessary to drill, fracture and complete each well, as well as the time adjacent wells will be shut in as a result of fracking operations

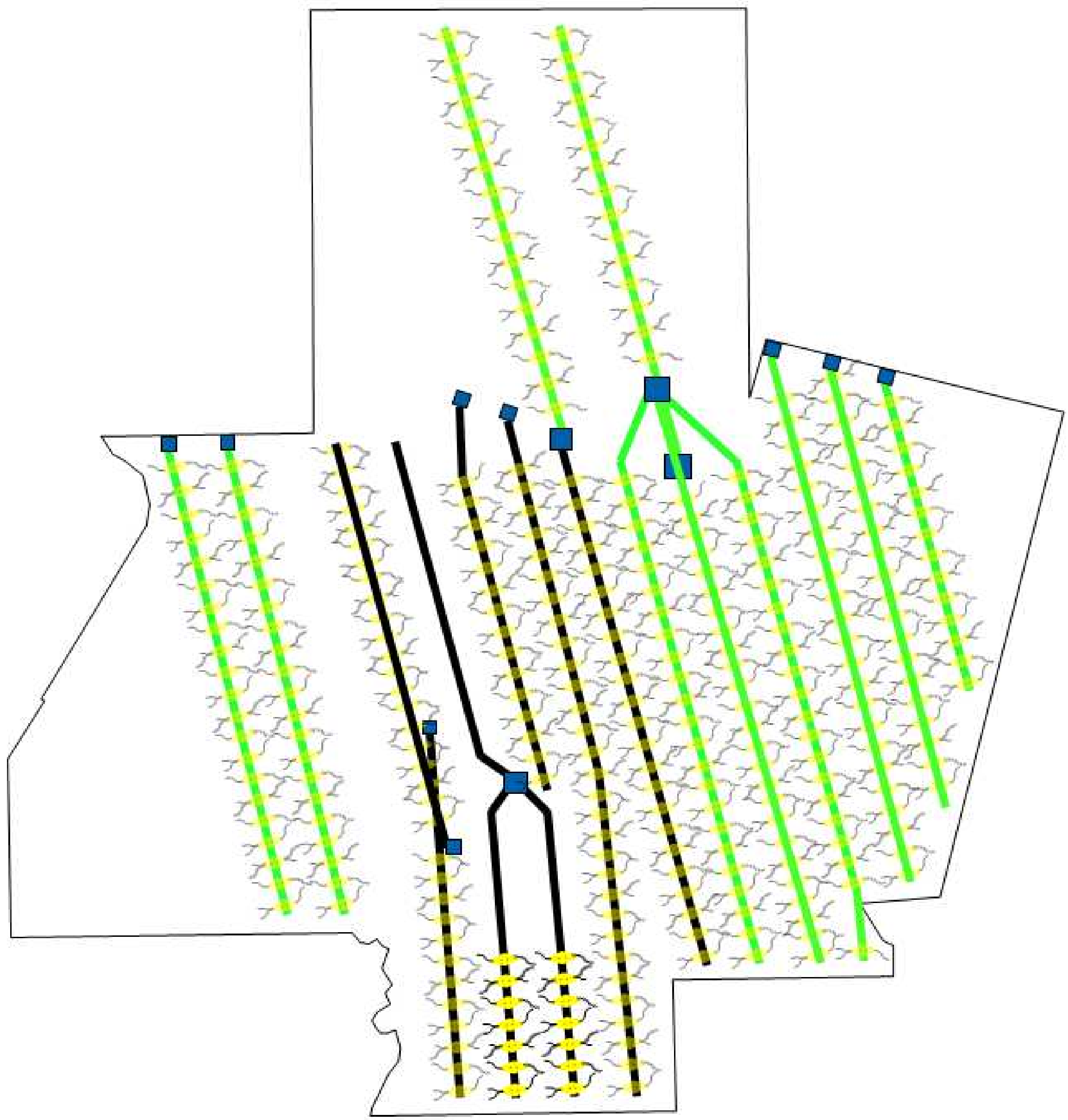
Martin Ranch Development Plan



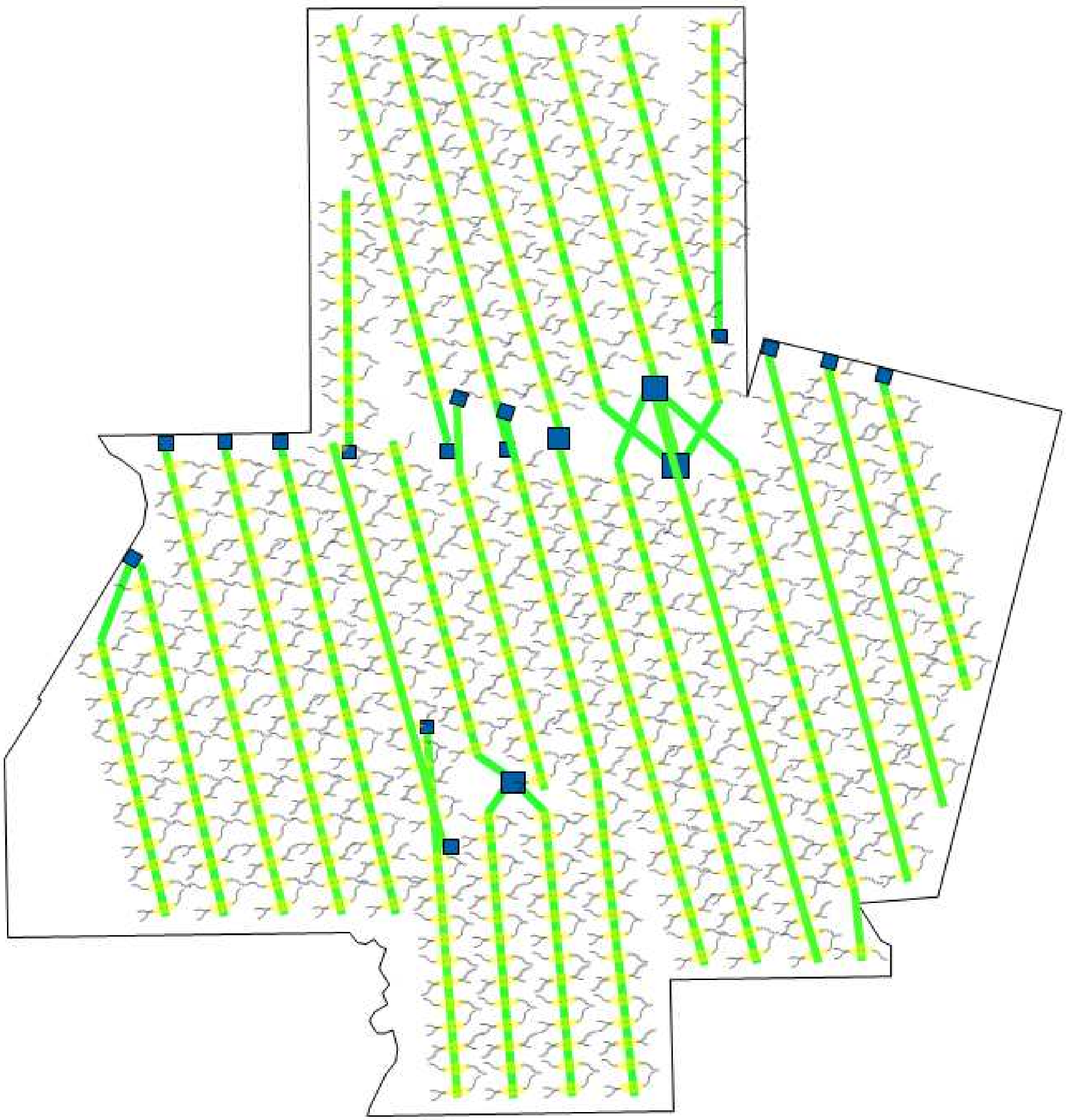
Martin Ranch Development Plan



Martin Ranch Development Plan



Martin Ranch Development Plan



2013 Operational Plans

- **Develop acreage blocks with program type drilling**
  - Pad drilling
  - Reduced mobilization time and costs
  - Limit offset well frac issues
  - Manage shut-in periods for producing wells
  - Provide for both drilling and completion optimization
- **Continue to optimize completion design**
  - Evaluate current and future stimulation designs
  - Optimize perforation cluster spacing
  - Experiment and evaluate fluid types and volumes
  - Continue completion technique evolution to maximize value
- **Production**
  - Stay in front of drilling rigs with production facilities
  - Utilize bottom hole pressure management via restricted choke sizes
  - Continue to implement and optimize artificial lift operations

Geology Update

Geoscience Goals and Objectives in 2013

Continue the study of the Eagle Ford in South Texas:

- Help transform Tier 2 play areas to Tier 1
- Focus on 3D seismic and fracture studies (e.g., Glasscock Ranch)
- Support operations through integrated, multi-disciplinary studies

Evaluate additional prospective plays in South Texas:

- Buda Limestone, Austin Chalk, Pearsall Shale, Edwards Limestone:
  - Drill three exploratory wells:
    - One operated (Austin Chalk), two non-operated (Buda and Edwards)
  - Obtain 3D seismic and sub-surface studies for production “sweet-spots”

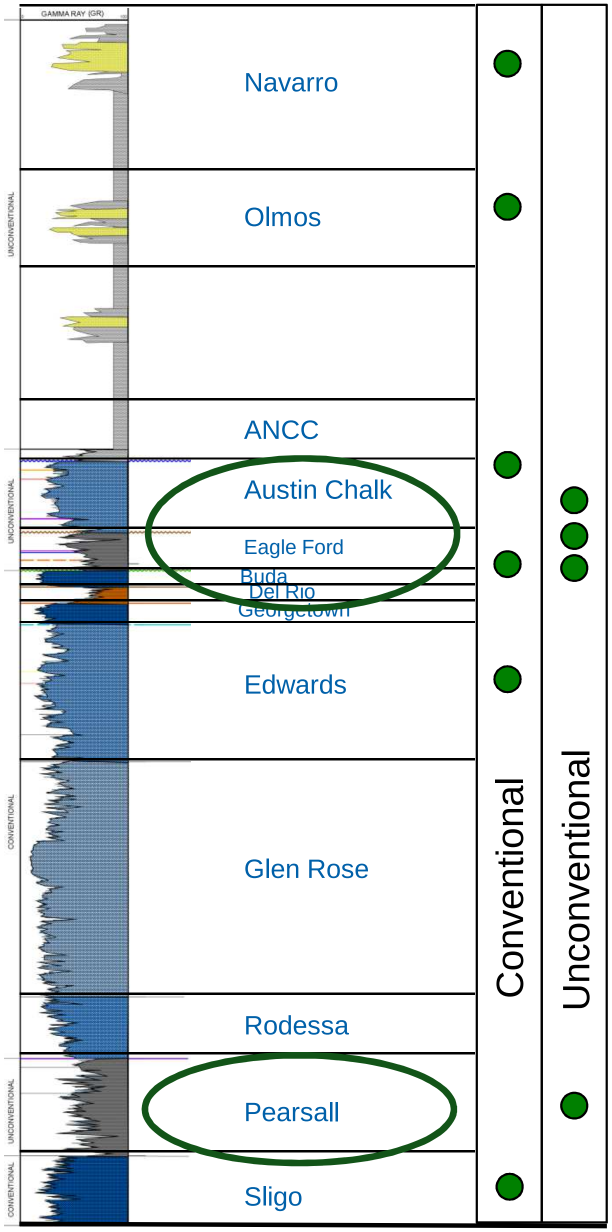
Begin the realization of potential in West Texas and New Mexico:

- Wolfcamp and Bone Spring Formations:
  - Three exploratory wells
  - Leverage our knowledge and experience gained in the Eagle Ford

Evaluate what/where next:

- “Gracie”: Crawford Federal #1H horizontal well results
- Additional regional studies and “spear-point” play development:
  - Proven petroleum systems; Tier map system consistent with the principles we have learned to date (e.g., TOC-Por-Perm relationships)

South Texas Eagle Ford Trend - Multi-Play Fairway



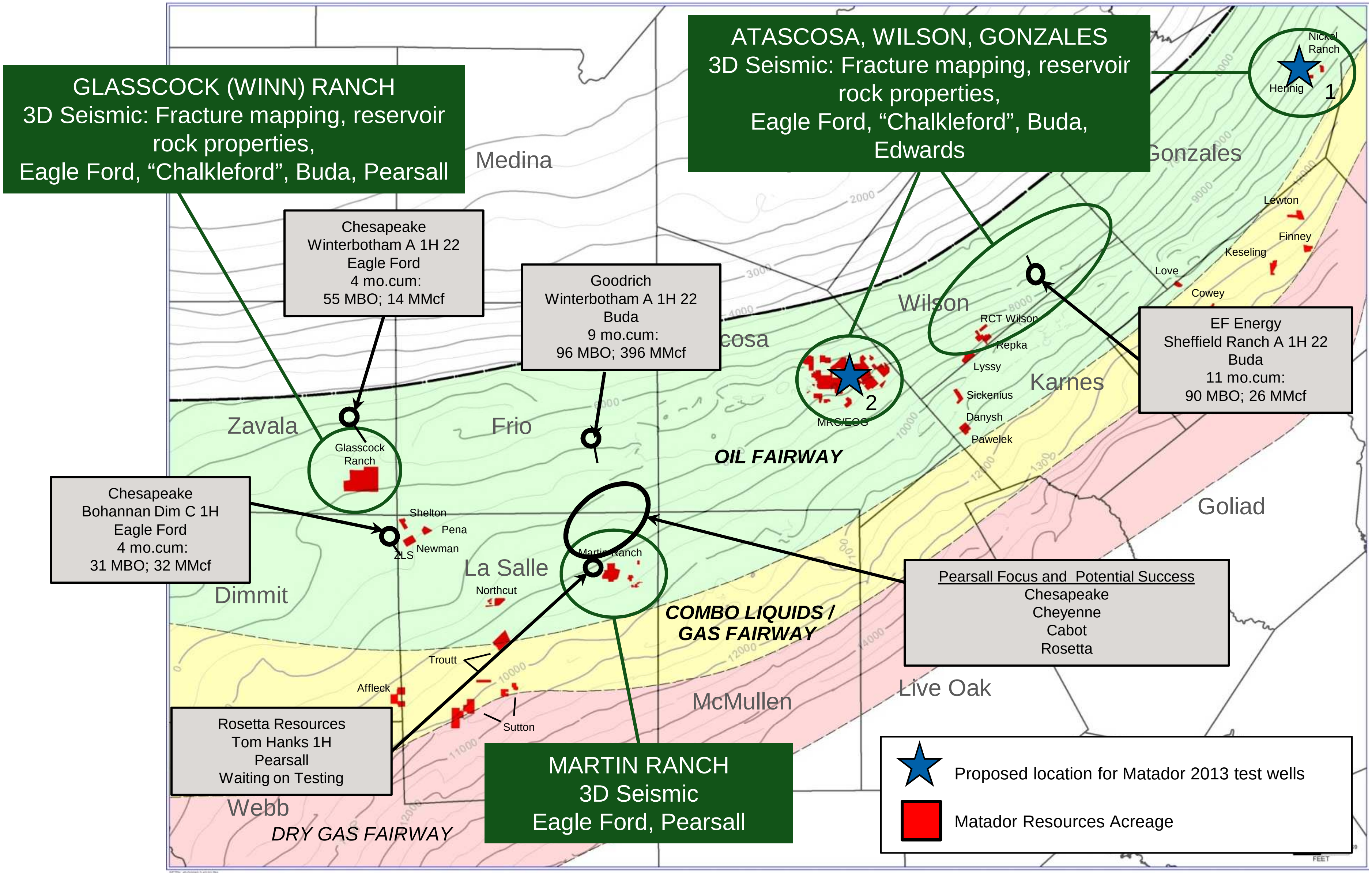
Historic Conventional Zones

- **Olmos-Navarro**
  - Gas and oil fields in shallow section
- **Austin Chalk**
  - Upper Austin Chalk horizontal drilling
  - Fractured reservoir
- **Buda**
  - Primarily productive on structure
  - Fractured reservoir
- **Edwards**
  - Productive on structure

"New" Unconventional Zones

- **"Chalkleford"** ***(Eagle Ford / Austin Chalk transition zone)***
  - Recent results in Pearsall Field from other operators are positive
- **Eagle Ford**
  - Lower costs combined with better completion techniques have improved initial results in northern oil window
- **Horizontal Buda Drilling**
  - Exploratory play developing to exploit fracturing within the Buda both on and off structure
- **Pearsall Shale**
  - Exploratory play, initial test wells now being drilled

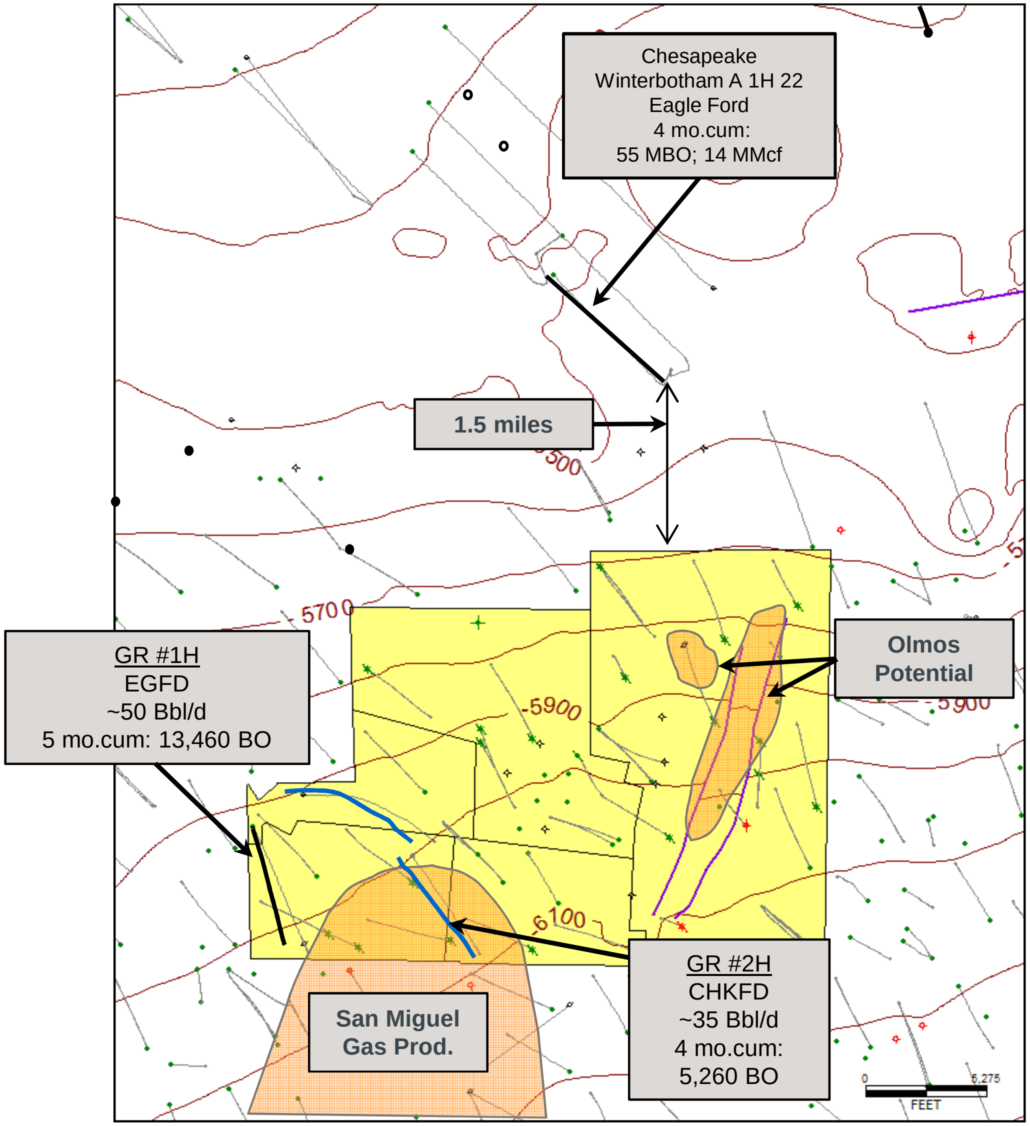
Matador's Geoscience Focus: Multipay Areas and Surrounding Results



Note: All acreage values, number of producing wells and number of estimated Eagle Ford drilling locations at November 30, 2012. Net wells reflect Matador's working interest ownership

Glasscock Ranch Study

GLASSCOCK (WINN) RANCH
8,891 gross / 8,891 net acres

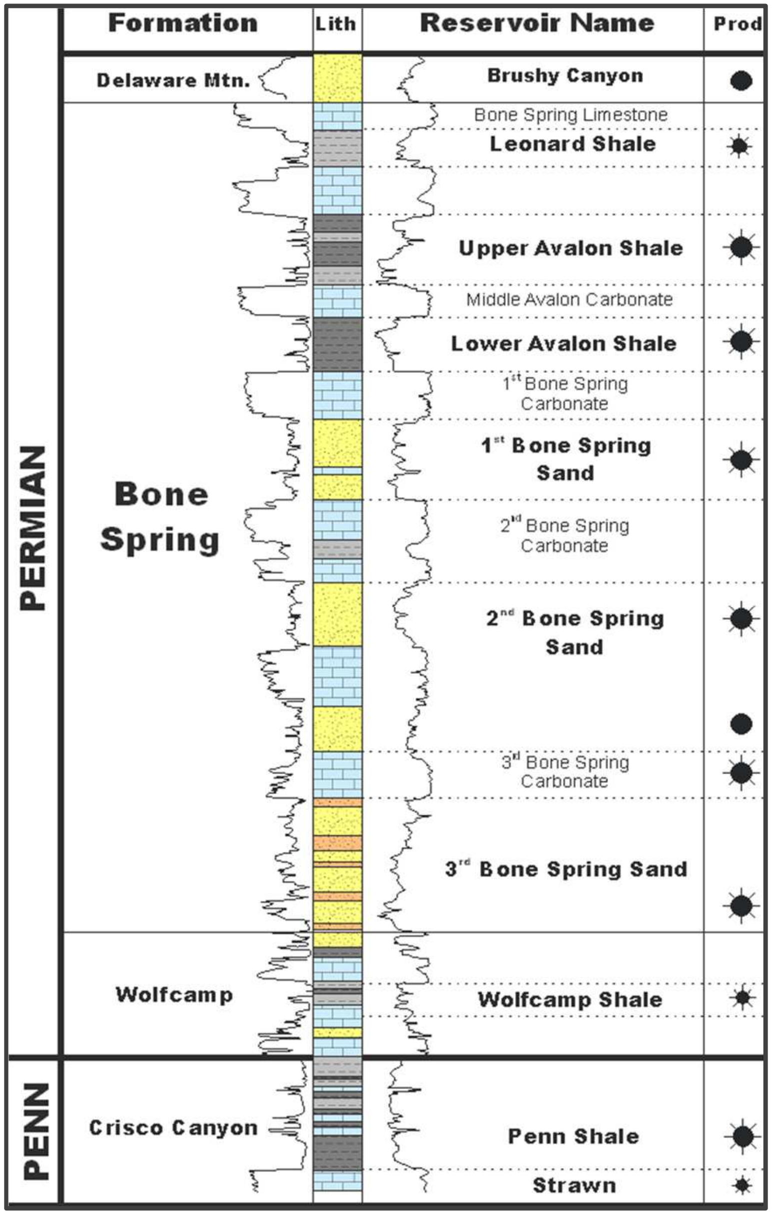


Goal: Transform Tier 2 to Tier 1.5?

- Multiple Target Study:
  - Eagle Ford
  - "Chalkleford"
  - Buda
  - Pearsall
  - Olmos/San Miguel
- Eagle Ford and "Chalkleford" production history and logs indicate large oil volumes in place
- Actively trading data, logs very comparable with offset producers
- Fractures play significant role
- Increased stimulated rock volume may lead to higher recovery
- 3D Seismic should enable accurate fracture mapping; to be acquired in June-August
- Multi-disciplinary (geoscience/engineering/operations) studies expected to develop better drilling and stimulation models to increase recovery factors
  - Petrophysics
  - Rock characterization
  - Production monitoring
  - 3D seismic integration
- Held by production, all rights, all depths

Note: Production data obtained from public sources

Delaware Basin Target Horizons



Graphic source: Core Lab; other information from public sources

Horizontal Targets

Delaware Group

Depth: 5,800' – 8,000' (Oil Window)
Density Porosity: 10-16%
Normal Pressure (0.45 psi/ft)
Gross Thickness: 30-60 ft
IP: 27-514 Bbl/d 10-606 Mcf/d

Bone Spring Lime

Depth: 7,800' – 9,500' (Oil Window)
Density Porosity: 6-14%
Normal Pressure (0.45 psi/ft)
Gross Thickness: 20-80 ft
IP: 50-405 Bbl/d 98-850 Mcf/d

1st 2nd 3rd Bone Spring

Depth: 8,700' – 11,500' (Oil Window)
Density Porosity: 8-12%
Normal Pressure (0.45 psi/ft)
Gross Thickness: 20-100 ft
IP: 150-1470 Bbl/d 100-1,130 Mcf/d

Upper Wolfcamp

Depth: 11,300' – 11,700' (Oil Window)
Density Porosity: >10%
Geo Pressured (0.7psi/ft)
Gross Thickness: 280-350 ft

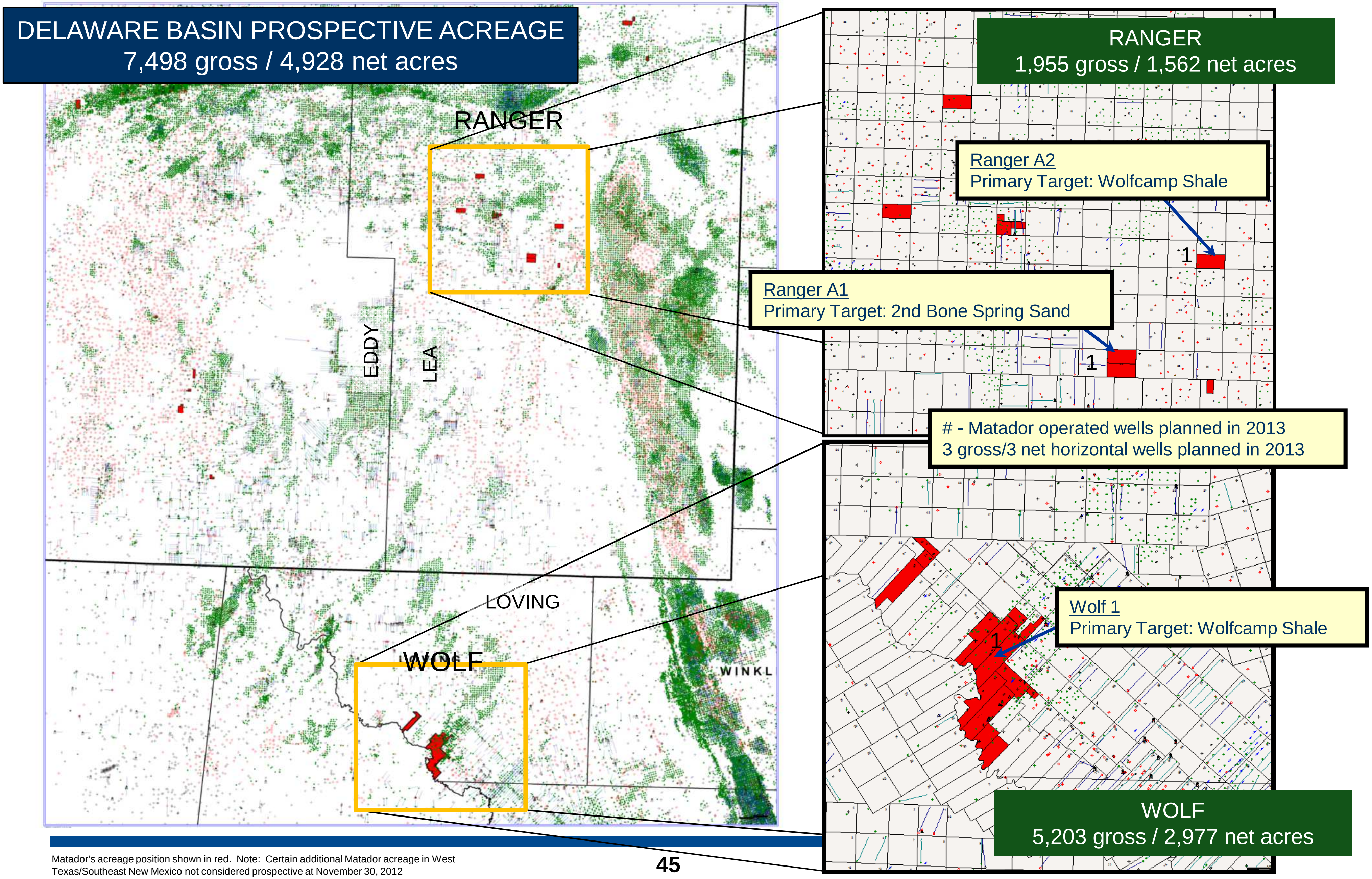
Middle Wolfcamp

Depth: 11,800' – 12,200' (Wet Gas Window)
Density Porosity: 12-15%
Geo Pressured (0.7psi/ft)
Gross Thickness: 200-300 ft
Total Organic Carbon (TOC) 2-4%

Lower Wolfcamp

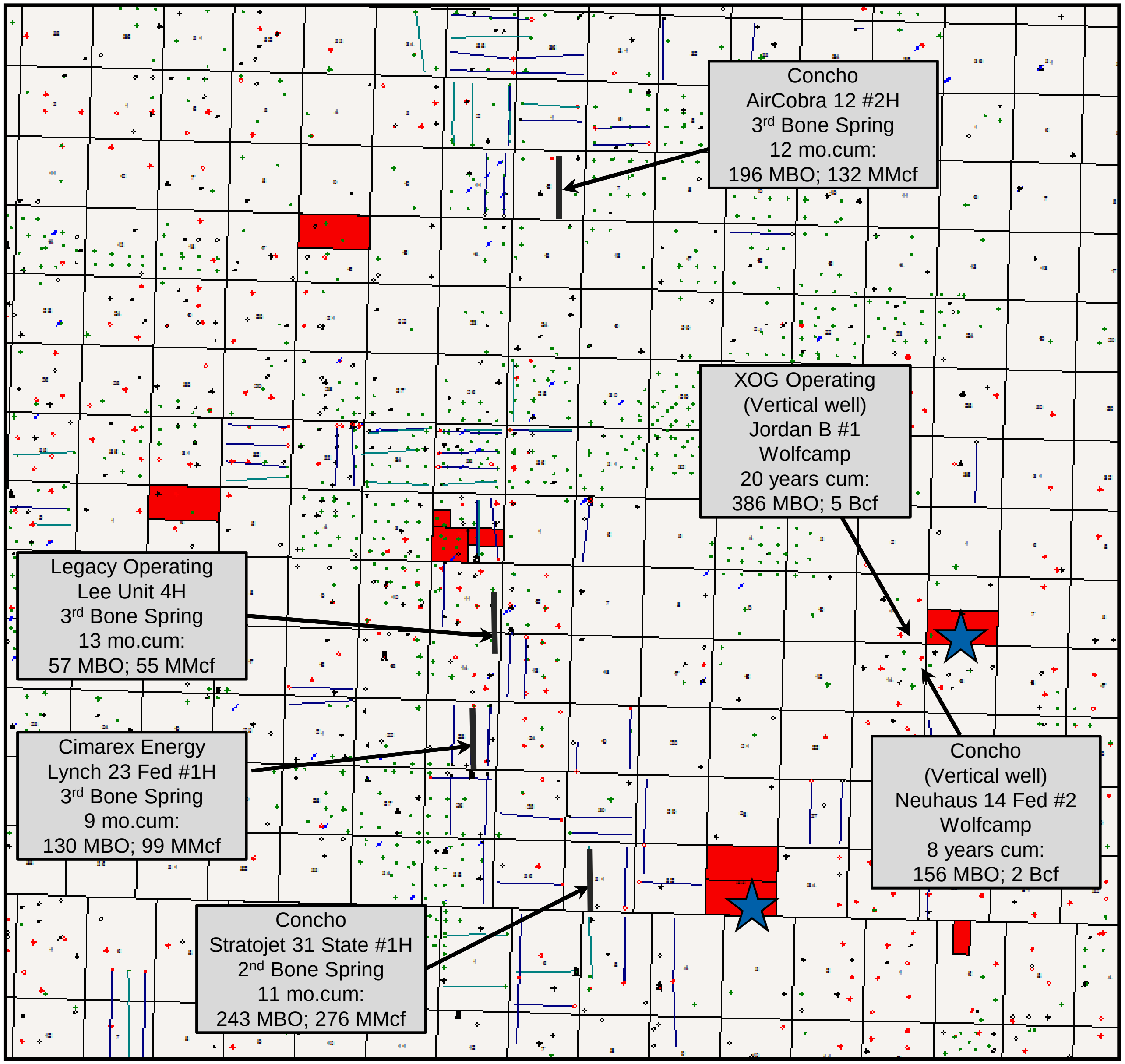
Depth: 12,200' – 12,500' (Wet Gas Window)
Density Porosity: 6-15%
Geo Pressured (0.7–0.75psi/ft)
Gross Thickness: 180-290 ft
Total Organic Carbon (TOC) 3-5%

Delaware Basin Acreage and 2013 Drilling Plan

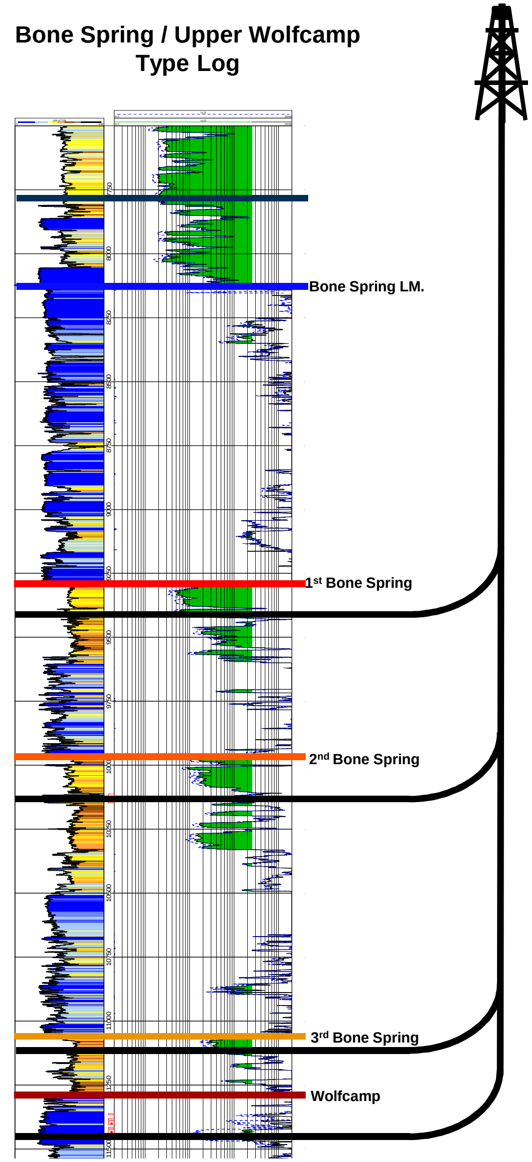


Matador's acreage position shown in red. Note: Certain additional Matador acreage in West Texas/Southeast New Mexico not considered prospective at November 30, 2012

Ranger Prospect Area: Proposed Wolfbone Multi-Zone Exploration Program and Surrounding Results

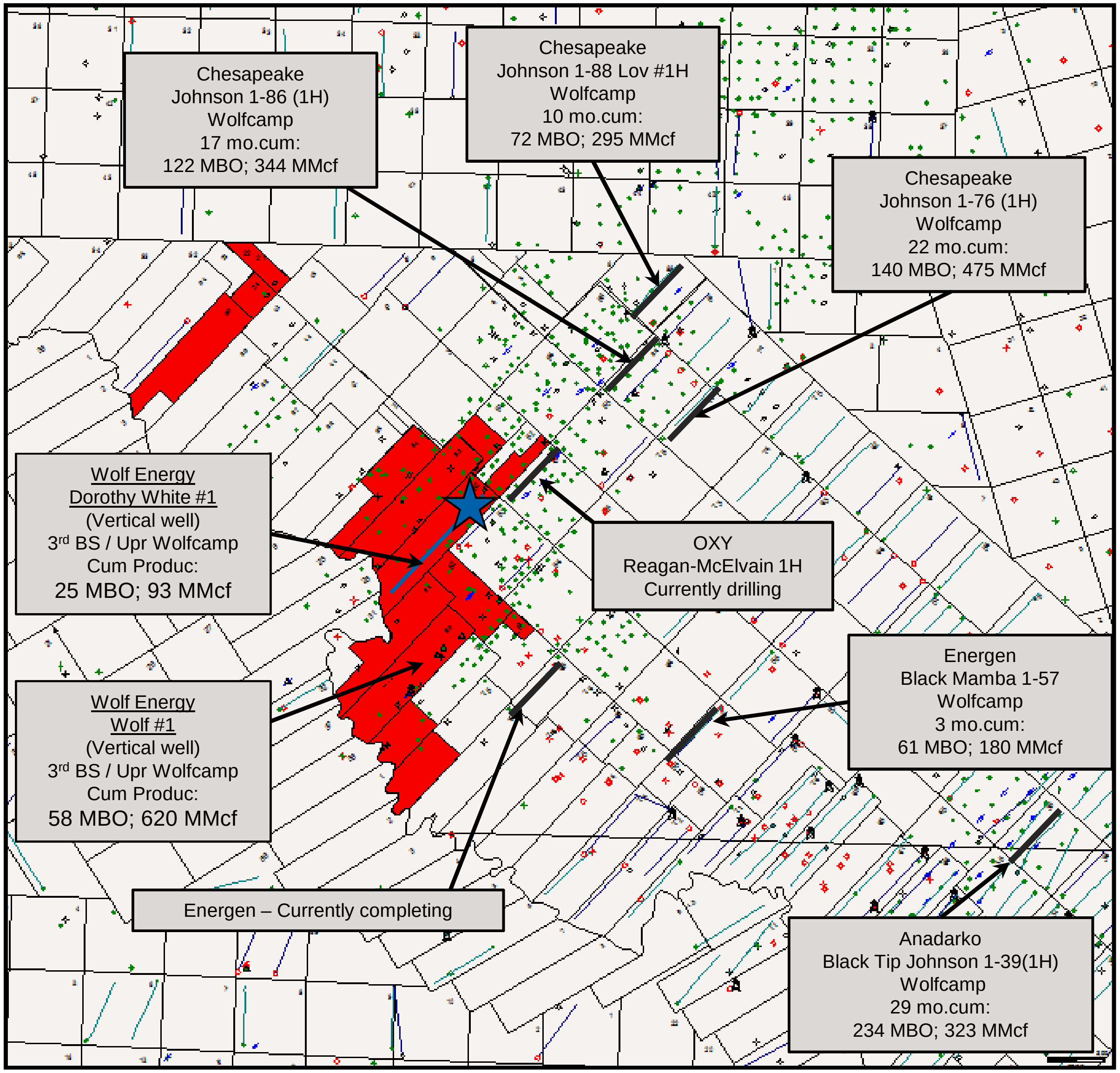


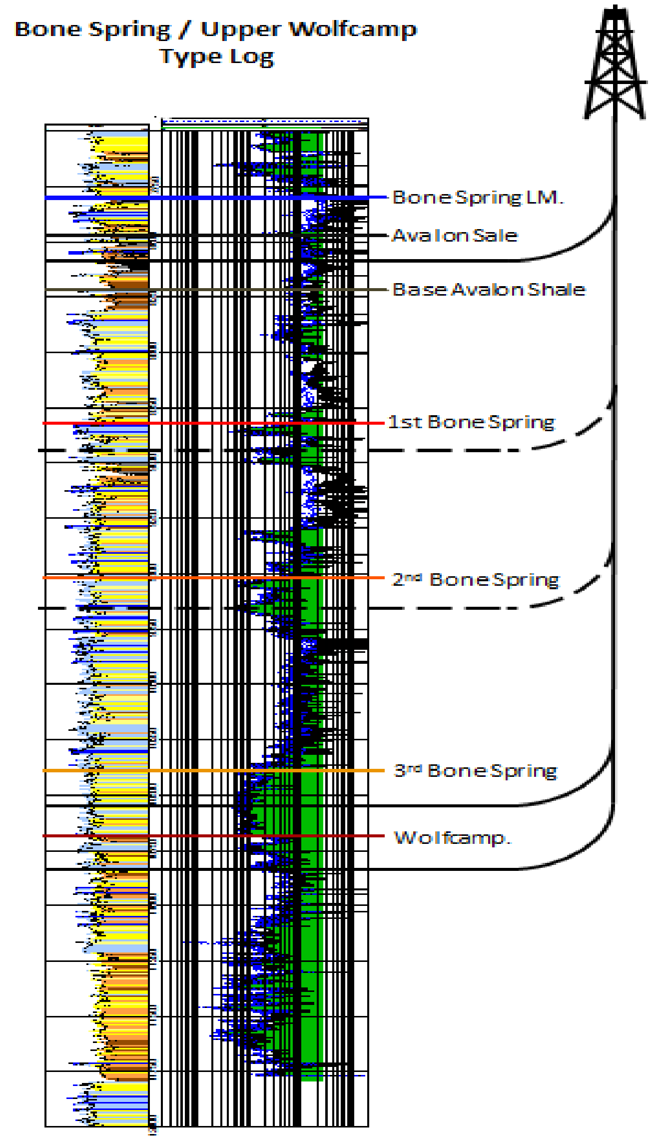
Bone Spring / Upper Wolfcamp Type Log



★ Proposed location for Matador 2013 test well

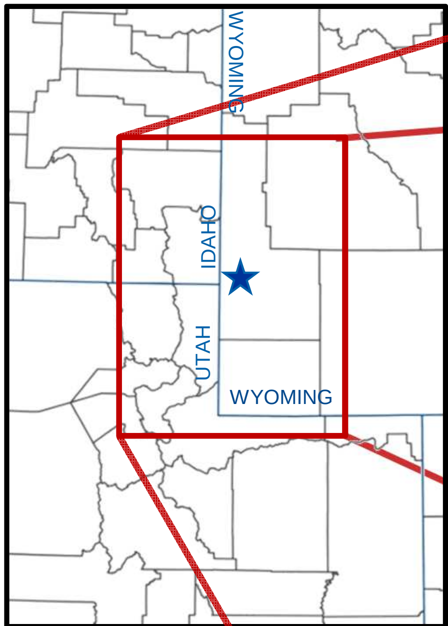
Wolf Leasehold: Proposed Wolfbone Multi-Zone Exploration Program and Surrounding Results





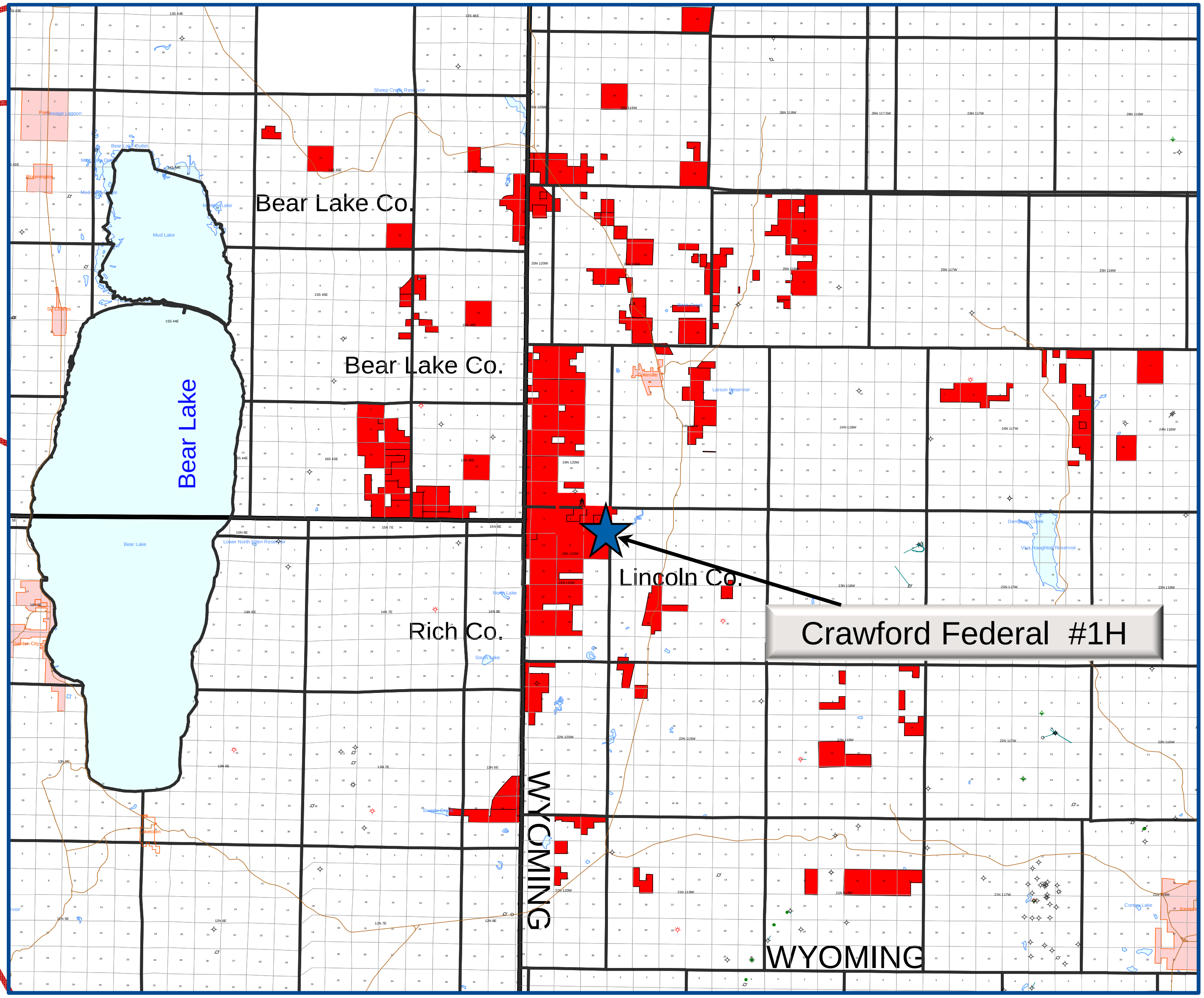
Proposed location for Matador 2013 test well

Matador Gracie Project Total Prospect Acreage



54,450 gross acres

26,908 net acres

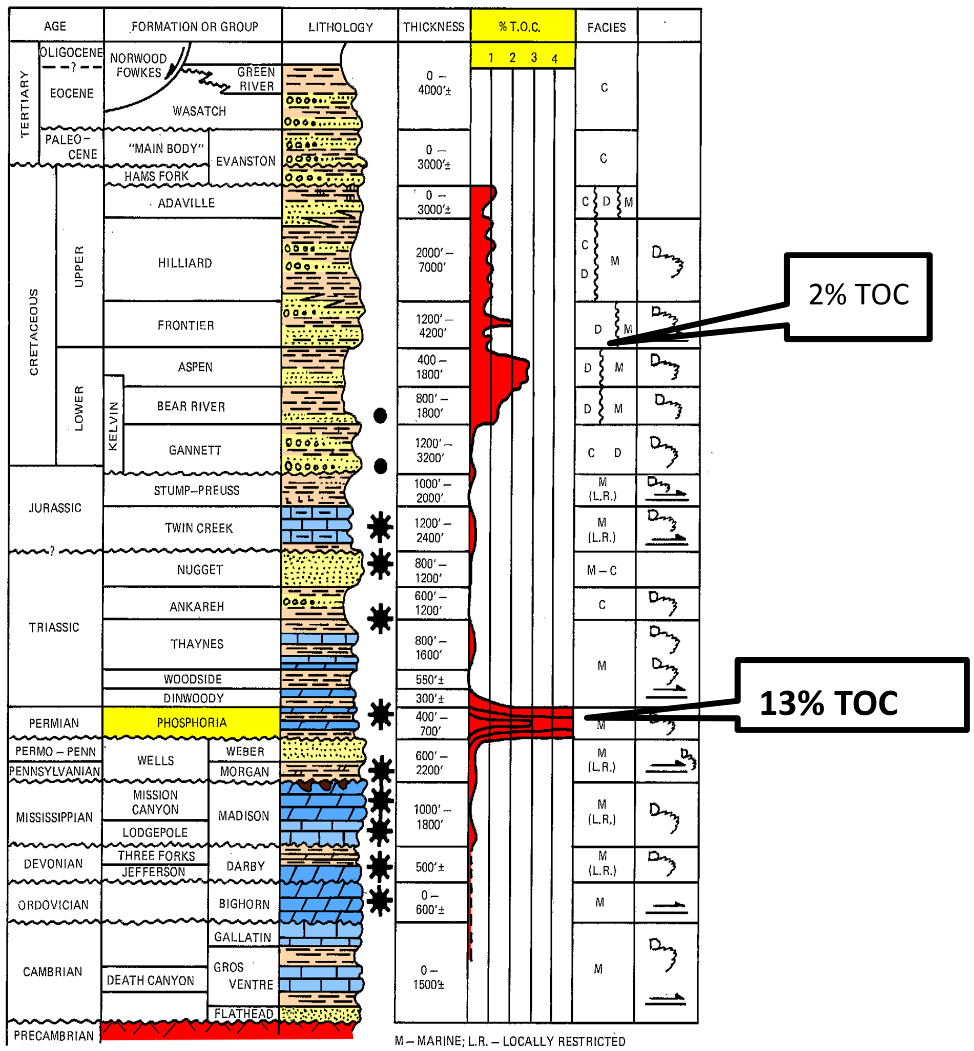


Southwest Wyoming Stratigraphy and Target Zones

FOSSIL BASIN AREA AND ITS RELATIONSHIP TO THE ABSAROKA THRUST FAULT SYSTEM

Cretaceous Shales

Meade Peak Shale



M – MARINE; L.R. – LOCALLY RESTRICTED
D – DELTAIC : C – CONTINENTAL
PREFERRED GLIDE PLANE
DETACHMENT PRONE
OIL AND GAS PRODUCING HORIZON

Lamberson, Paul, 1982, The Fossil Basin and its Relationship to the Absaroka Thrust System, Wyoming and Utah, RMAG

Crawford Federal #1:

- Drilled straight hole 10/11
- Encountered 161' Meade Peak with 46' of main pay
- Recovered 50' conventional core across pay zone
- TOC_{ave} 4.52% (Maximum 14.2%)
- Thermally mature: Ro 1.69%
- Porosity Average: 3.0– 5.0%
- Micro-Darcy Permeability



Appendix

Adjusted EBITDA Reconciliation

This presentation includes, and certain statements made during this presentation may include, the non-GAAP financial measure of Adjusted EBITDA. We believe Adjusted EBITDA helps us evaluate our operating performance and compare our results of operation from period to period without regard to our financing methods or capital structure. We define 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, including stock option and grant expense and restricted stock and restricted stock units expense, and net gain or loss on asset sales and inventory impairment. Adjusted EBITDA is not a measure of net (loss) income or cash flows as determined by GAAP. Adjusted EBITDA should not be considered an alternative to, or more meaningful than, net income or cash flows from operating activities as determined in accordance with GAAP or as an indicator of our operating performance or liquidity.

The following table presents our 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 forward-looking or prospective in nature, and not based on historical fact, the table does not provide a reconciliation. We could not provide such reconciliations without undue hardship because the Adjusted EBITDA numbers included in this presentation, and that may be included in certain statements made during the presentation, are estimations, approximations and/or ranges. In addition, it would be difficult for us to present a detailed reconciliation on account of many unknown variables for the reconciling items.

Adjusted EBITDA Reconciliation

The following table presents our calculation of Adjusted EBITDA and reconciliation of Adjusted EBITDA to the GAAP financial measures of net (loss) income and cash provided by operating activities, respectively.

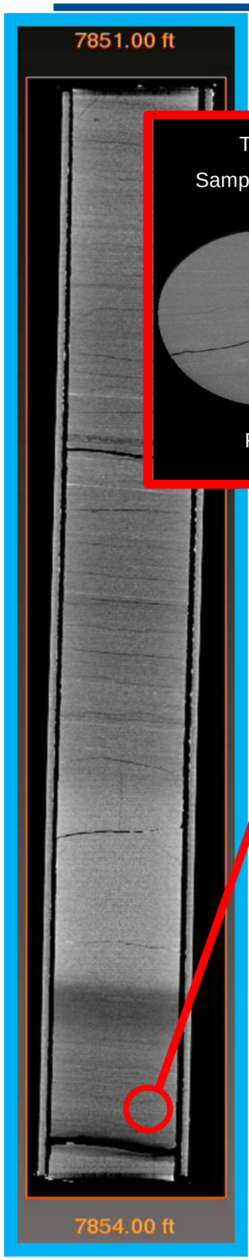
	Year Ended December 31,					Nine Months Ended September 30,
(In thousands)	2007	2008	2009	2010	2011	2012
Unaudited Adjusted EBITDA reconciliation to Net Income (Loss):						
Net (loss) income	($300)	$103,878	($14,425)	$6,377	($10,309)	($8,568)
Interest expense	-	-	-	3	683	453
Total income tax provision (benefit)	-	20,023	(9,925)	3,521	(5,521)	(1,152)
Depletion, depreciation and amortization	7,889	12,127	10,743	15,596	31,754	52,799
Accretion of asset retirement obligations	70	92	137	155	209	170
Full-cost ceiling impairment	-	22,195	25,244	-	35,673	33,206
Unrealized loss (gain) on derivatives	211	(3,592)	2,375	(3,139)	(5,138)	1,149
Stock option and grant expense	205	605	622	824	2,362	(585)
Restricted stock grants	15	60	34	74	44	362
Net loss (gain) on asset sales and inventory impairment	-	(136,977)	379	224	154	60
Adjusted EBITDA	**$8,090**	**$18,411**	**$15,184**	**$23,635**	**$49,911**	**$77,894**

	Year Ended December 31,					Nine Months Ended September 30,
(In thousands)	2007	2008	2009	2010	2011	2012
Unaudited Adjusted EBITDA reconciliation to Net Cash Provided by Operating Activities:						
Net cash provided by operating activities	$7,881	$25,851	$1,791	$27,273	$61,868	$80,325
Net change in operating assets and liabilities	209	(17,888)	15,717	(2,230)	(12,594)	(3,072)
Interest expense	-	-	-	3	683	453
Current income tax provision (benefit)	-	10,448	(2,324)	(1,411)	(46)	188
Adjusted EBITDA	**$8,090**	**$18,411**	**$15,184**	**$23,635**	**$49,911**	**$77,894**

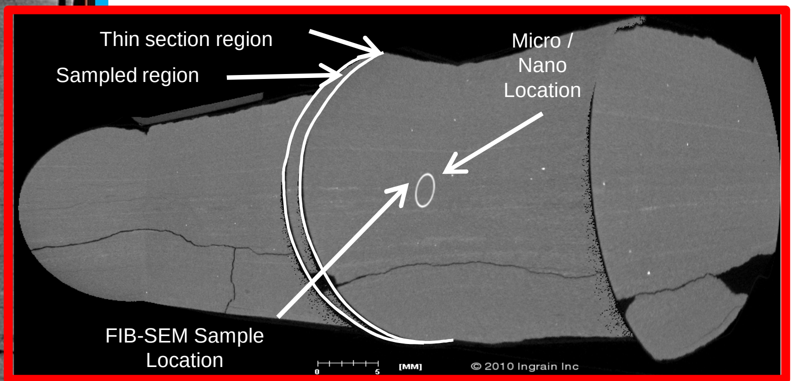
$100mm Leasing Strategy That Rests on a "Fleck"

"Prove to us that oil molecules can move in so tight a rock…"

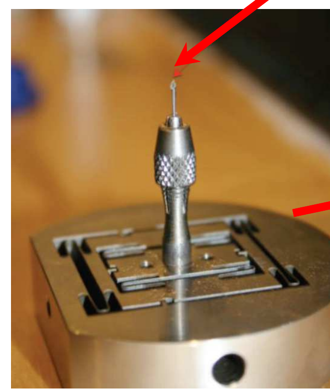
Nano…

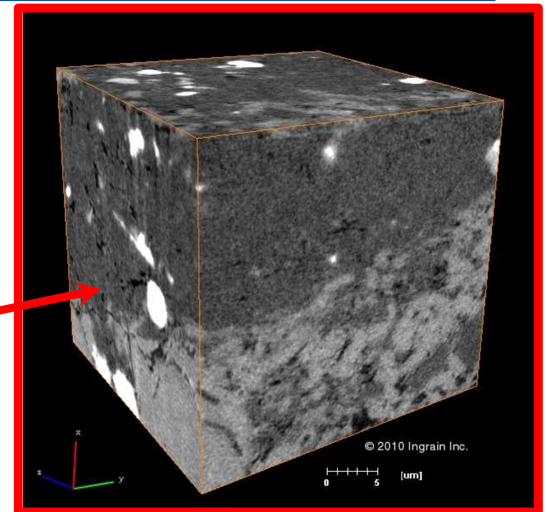


Macro…

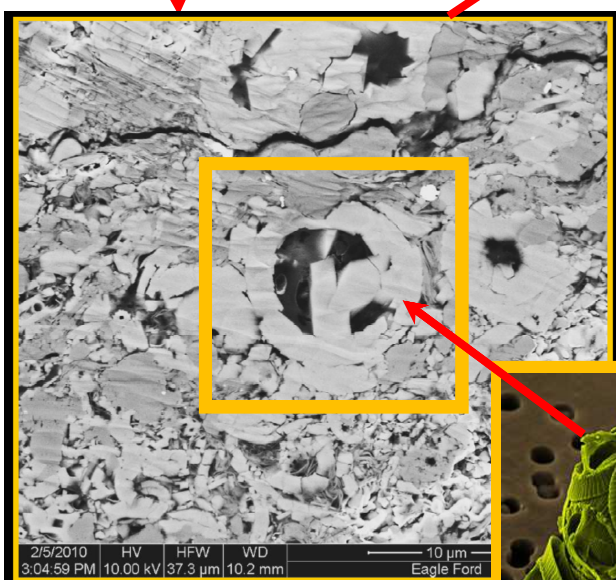


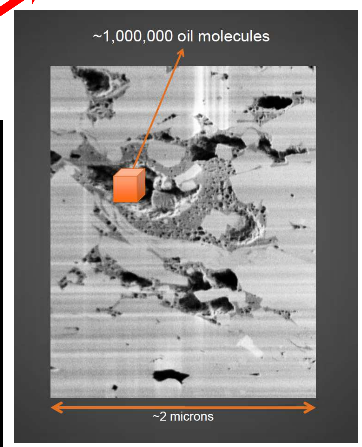
Sample

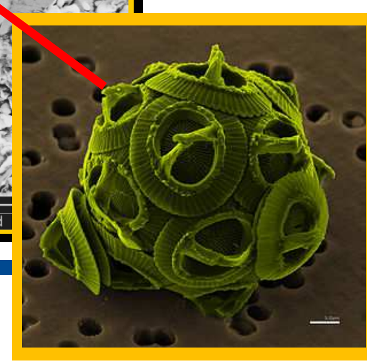


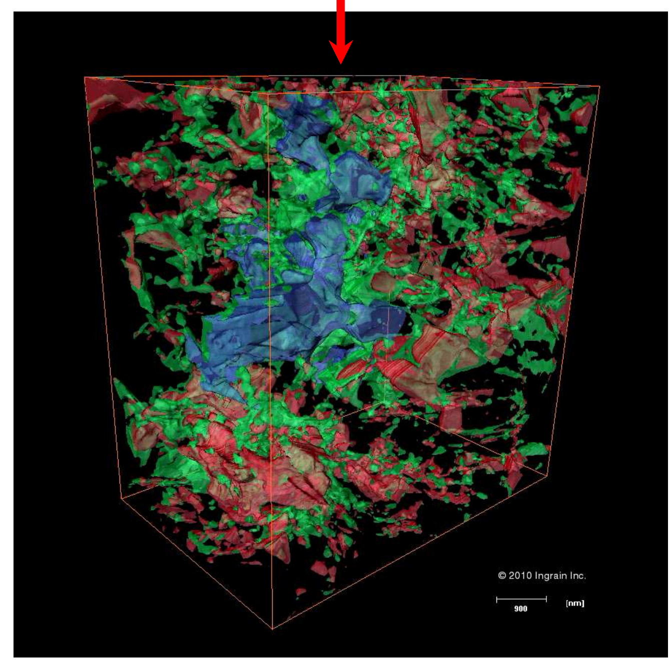


Micro…









Pore-Perm Architecture We Can Measure