

INVESTMENT BANKING UPDATE

December 9, 2016

\$175.0 Million

Senior Notes Offering



*The undersigned served as a
Co-Manager on the offering*

Stephens Inc.

Transaction Details

- On December 9, 2016, Matador Resources Company (NYSE: MTDR) (“Matador” or the “Company”) closed a private offering (the “Offering”) of \$175 million aggregate principal amount of its 6.875% Senior Notes due 2023 (the “Additional Notes”)
- The Offering was upsized to \$175 million in aggregate principal amount from \$150 million
- The Additional Notes were issued at 105.5% of par, plus accrued interest from October 15, 2016
- Matador intends to use the net proceeds from this offering to:
 - i. fund the aggregate purchase price for ~4,600 net leasehold acres and estimated current net production of ~1,150 barrels of oil equivalent per day from wells producing on this acreage in Eddy and Lea Counties, New Mexico as well as ~475 net mineral acres in Eddy and Lea Counties, New Mexico;
 - ii. fund the capital expenditures for a number of midstream initiatives in the Delaware Basin that are either in progress or that Matador expects to begin by the end of the first quarter of 2017;
 - iii. repay outstanding borrowings under its revolving credit facility and for general corporate purposes, including capital expenditures associated with the addition of a fourth drilling rig
- Stephens Inc. served as a Co-Manager on this transaction

According to the Company’s Press Release:

Matador is an independent energy company engaged in the exploration, development, production and acquisition of oil and natural gas resources in the United States, with an emphasis on oil and natural gas shale and other unconventional plays. Its current operations are focused primarily on the oil and liquids-rich portion of the Wolfcamp and Bone Spring plays in the Delaware Basin in Southeast New Mexico and West Texas. Matador also operates in the Eagle Ford shale play in South Texas and the Haynesville shale and Cotton Valley plays in Northwest Louisiana and East Texas. Additionally, Matador conducts midstream operations in support of its exploration, development and production operations and provides natural gas processing, natural gas, oil and salt water gathering services and salt water disposal services to third parties on a limited basis.

Sources: Company filings.

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