UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-35410

Matador Resources Company
(Exact name of registrant as specified in its charter)

Texas	**27-4662601**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
5400 LBJ Freeway, Suite 1500 Dallas, Texas	**75240**
(Address of principal executive offices)	**(Zip Code)**

(972) 371-5200
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	MTDR	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

As of August 5, 2026, there were 123,754,216 shares of the registrant's common stock, par value $0.01 per share, outstanding.

MATADOR RESOURCES COMPANY
FORM 10-Q
FOR THE QUARTER ENDED JUNE 30, 2026

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Part I — FINANCIAL INFORMATION

Item 1. Financial Statements — Unaudited

Matador Resources Company and Subsidiaries

CONDENSED CONSOLIDATED BALANCE SHEETS — UNAUDITED
(In thousands, except par value and share data)

	June 30, 2026	December 31, 2025
ASSETS		
Current assets		
Cash	$ 26,318	$ 15,314
Restricted cash	64,597	64,163
Accounts receivable		
Oil and natural gas revenues	408,304	286,158
Joint interest billings	185,314	140,043
Other	77,526	103,628
Derivative instruments	13,597	34,052
Lease and well equipment inventory	50,177	43,842
Prepaid expenses and other current assets	181,276	129,368
Total current assets	1,007,109	816,568
Property and equipment, at cost		
Oil and natural gas properties, full-cost method		
Evaluated	15,487,735	14,286,726
Unproved and unevaluated	2,703,231	1,823,456
Midstream properties	2,018,246	1,963,059
Other property and equipment	57,058	53,199
Less accumulated depletion, depreciation and amortization	(8,002,990)	(7,395,142)
Net property and equipment	12,263,280	10,731,298
Other assets		
Other long-term assets	224,177	162,703
Total assets	$ 13,494,566	$ 11,710,569
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	$ 836,776	$ 540,620
Royalties payable	399,711	351,062
Derivative instruments	141,092	—
Advances from joint interest owners	78,280	64,169
Other current liabilities	93,254	75,658
Total current liabilities	1,549,113	1,031,509
Long-term liabilities		
Borrowings under Credit Agreement	939,000	398,000
Borrowings under San Mateo Credit Facility	911,000	883,000
Senior unsecured notes payable	2,366,410	2,121,102
Asset retirement obligations	155,191	144,063
Derivative instruments	8,470	—
Deferred income taxes	1,124,901	1,015,931
Other long-term liabilities	189,583	120,312
Total long-term liabilities	5,694,555	4,682,408
Commitments and contingencies (see Note 10)		
Shareholders' equity		
Common stock - $0.01 par value, 160,000,000 shares authorized; 124,511,431 and 124,409,739 shares issued; and 123,998,298 and 124,262,322 shares outstanding, respectively	1,245	1,244
Additional paid-in capital	2,537,746	2,509,118
Retained earnings	3,414,634	3,153,112
Treasury stock, at cost, 513,133 and 147,417 shares, respectively	(25,002)	(5,333)
Total Matador Resources Company shareholders' equity	5,928,623	5,658,141
Non-controlling interest in subsidiaries	322,275	338,511
Total shareholders' equity	6,250,898	5,996,652
Total liabilities and shareholders' equity	$ 13,494,566	$ 11,710,569

The accompanying notes are an integral part of these financial statements.

Matador Resources Company and Subsidiaries

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS — UNAUDITED
(In thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues				
Oil and natural gas revenues	$ 1,087,584	$ 815,774	$ 1,906,315	$ 1,725,692
Third-party midstream services revenues	44,593	42,007	86,684	75,506
Sales of purchased natural gas	41,246	67,897	122,028	130,653
Realized (loss) gain on derivatives	(72,488)	6,947	(86,981)	9,661
Unrealized gain (loss) on derivatives	85,457	(37,313)	(170,017)	(32,242)
Total revenues	1,186,392	895,312	1,858,029	1,909,270
Expenses				
Lease operating	106,948	105,230	214,474	209,641
Transportation and processing	18,934	16,451	33,776	36,512
Midstream operating	60,536	44,457	115,763	96,260
Purchased natural gas	(38,912)	35,944	3,423	90,077
Depletion, depreciation and amortization	315,144	302,602	607,848	584,493
Taxes other than income	102,794	68,010	173,685	145,059
Accretion of asset retirement obligations	2,352	1,767	4,620	3,494
General and administrative	41,274	32,187	80,297	65,919
Total expenses	609,070	606,648	1,233,886	1,231,455
Operating income	577,322	288,664	624,143	677,815
Other income (expense)				
Interest expense	(60,819)	(53,345)	(112,344)	(102,834)
Loss on debt extinguishment	—	—	(15,587)	—
Loss on asset sales	—	—	(578)	—
Other income	3,986	3,502	8,353	9,008
Total other expense	(56,833)	(49,843)	(120,156)	(93,826)
Income before income taxes	520,489	238,821	503,987	583,989
Income tax provision (benefit)				
Current	226	23,089	226	46,070
Deferred	106,611	33,373	105,927	93,313
Total income tax provision	106,837	56,462	106,153	139,383
Net income	413,652	182,359	397,834	444,606
Net income attributable to non-controlling interest in subsidiaries	(23,000)	(32,134)	(43,054)	(54,296)
Net income attributable to Matador Resources Company shareholders	$ 390,652	$ 150,225	$ 354,780	$ 390,310
Earnings per common share				
Basic	$ 3.15	$ 1.21	$ 2.86	$ 3.13
Diluted	$ 3.15	$ 1.21	$ 2.86	$ 3.12
Weighted average common shares outstanding				
Basic	124,156	124,418	124,205	124,804
Diluted	124,156	124,456	124,205	124,977

The accompanying notes are an integral part of these financial statements.

Matador Resources Company and Subsidiaries

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY — UNAUDITED
(In thousands)

For the Three and Six Months Ended June 30, 2026

	Common Stock		Additional paid-in capital	Retained earnings	Treasury Stock		Total shareholders' equity attributable to Matador Resources Company	Non-controlling interest in subsidiaries	Total shareholders' equity
	Shares	Amount			Shares	Amount			
Balance at January 1, 2026	124,410	$ 1,244	$2,509,118	$ 3,153,112	147	$ (5,333)	$ 5,658,141	$ 338,511	$ 5,996,652
Dividends declared ($0.375 per share)	—	—	—	(46,817)	—	—	(46,817)	—	(46,817)
Issuance of stock pursuant to incentive and purchase plans, net of shares withheld for taxes	37	—	(998)	—	76	(2,478)	(3,476)	—	(3,476)
Stock-based compensation expense related to equity-based awards including amounts capitalized	—	—	8,187	—	—	—	8,187	—	8,187
Contribution related to formation of San Mateo, net of tax of $1.4 million (see Note 7)	—	—	5,451	—	—	—	5,451	—	5,451
Distributions to non-controlling interest owners of less-than-wholly-owned subsidiaries	—	—	—	—	—	—	—	(30,380)	(30,380)
Repurchases of common stock	—	—	—	—	18	(714)	(714)	—	(714)
Current period net (loss) income	—	—	—	(35,872)	—	—	(35,872)	20,054	(15,818)
Balance at March 31, 2026	124,447	$ 1,244	$2,521,758	$ 3,070,423	241	$ (8,525)	$ 5,584,900	$ 328,185	$ 5,913,085
Dividends declared ($0.375 per share)	—	—	—	(46,441)	—	—	(46,441)	—	(46,441)
Issuance of stock pursuant to incentive and purchase plans, net of shares withheld for taxes	64	1	1,251	—	47	(5,532)	(4,280)	—	(4,280)
Stock-based compensation expense related to equity-based awards including amounts capitalized	—	—	8,259	—	—	—	8,259	—	8,259
Contribution related to formation of San Mateo, net of tax of $1.7 million (see Note 7)	—	—	6,478	—	—	—	6,478	—	6,478
Distributions to non-controlling interest owners of less-than-wholly-owned subsidiaries	—	—	—	—	—	—	—	(28,910)	(28,910)
Repurchases of common stock	—	—	—	—	225	(10,945)	(10,945)	—	(10,945)
Current period net income	—	—	—	390,652	—	—	390,652	23,000	413,652
Balance at June 30, 2026	124,511	$ 1,245	$2,537,746	$ 3,414,634	513	$(25,002)	$ 5,928,623	$ 322,275	$ 6,250,898

The accompanying notes are an integral part of these financial statements.

Matador Resources Company and Subsidiaries

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY — UNAUDITED
(In thousands)

For the Three and Six Months Ended June 30, 2025

	Common Stock		Additional paid-in capital	Retained earnings	Treasury Stock		Total shareholders' equity attributable to Matador Resources Company	Non-controlling interest in subsidiaries	Total shareholders' equity
	Shares	Amount			Shares	Amount			
Balance at January 1, 2025	125,101	$ 1,251	$2,533,247	$ 2,556,987	53	$ (2,336)	$ 5,089,149	$ 368,283	$ 5,457,432
Dividends declared ($0.3125 per share)	—	—	—	(39,180)	—	—	(39,180)	—	(39,180)
Issuance of stock pursuant to incentive and purchase plans, net of shares withheld for taxes	228	2	(7,112)	—	75	(3,333)	(10,443)	—	(10,443)
Stock-based compensation expense related to equity-based awards including amounts capitalized	—	—	5,669	—	—	—	5,669	—	5,669
Contribution related to formation of San Mateo, net of tax of $0.6 million (see Note 7)	—	—	2,212	—	—	—	2,212	—	2,212
Distributions to non-controlling interest owners of less-than-wholly-owned subsidiaries	—	—	—	—	—	—	—	(33,810)	(33,810)
Current period net income	—	—	—	240,085	—	—	240,085	22,162	262,247
Balance at March 31, 2025	125,329	$ 1,253	$2,534,016	$ 2,757,892	128	$ (5,669)	$ 5,287,492	$ 356,635	$ 5,644,127
Dividends declared ($0.3125 per share)	—	—	—	(38,970)	—	—	(38,970)	—	(38,970)
Issuance of stock pursuant to incentive and purchase plans, net of shares withheld for taxes	87	1	1,107	—	16	(425)	683	—	683
Stock-based compensation expense related to equity-based awards including amounts capitalized	—	—	6,378	—	—	—	6,378	—	6,378
Contribution related to formation of San Mateo, net of tax of $1.3 million (see Note 7)	—	—	5,056	—	—	—	5,056	—	5,056
Distributions to non-controlling interest owners of less-than-wholly-owned subsidiaries	—	—	—	—	—	—	—	(28,420)	(28,420)
Repurchases of common stock	—	—	—	—	1,096	(44,691)	(44,691)	—	(44,691)
Current period net income	—	—	—	150,225	—	—	150,225	32,134	182,359
Balance at June 30, 2025	125,416	$ 1,254	$2,546,557	$ 2,869,147	1,240	$(50,785)	$ 5,366,173	$ 360,349	$ 5,726,522

The accompanying notes are an integral part of these financial statements.

Matador Resources Company and Subsidiaries

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS — UNAUDITED
(In thousands)

	Six Months Ended June 30,	
	2026	**2025**
Operating activities		
Net income	$ 397,834	$ 444,606
Adjustments to reconcile net income to net cash provided by operating activities		
Unrealized loss on derivatives	170,017	32,242
Depletion, depreciation and amortization	607,848	584,493
Accretion of asset retirement obligations	4,620	3,494
Stock-based compensation expense	10,617	8,460
Loss on extinguishment of debt	15,587	—
Deferred income tax provision	105,927	93,313
Amortization of debt issuance costs and other debt-related costs	7,068	7,336
Other non-cash changes	7,301	1,117
Changes in operating assets and liabilities		
Accounts receivable, prepaid expenses and other current assets	(148,629)	(5,198)
Lease and well equipment inventory	(5,120)	(21,955)
Other long-term assets	1,738	(1,029)
Accounts payable, accrued liabilities and other current liabilities	174,265	6,281
Royalties payable	48,650	49,694
Advances from joint interest owners	14,111	26,112
Other long-term liabilities	(4,160)	(60)
Net cash provided by operating activities	1,407,674	1,228,906
Investing activities		
Drilling, completion and equipping capital expenditures	(745,343)	(745,476)
Acquisition of oil and natural gas properties	(1,228,834)	(125,118)
Acquisition of Cardinal	(37,604)	—
Midstream capital expenditures	(38,697)	(159,844)
Acquisition of midstream assets	(6,200)	—
Expenditures for other property and equipment	(2,088)	(1,756)
Proceeds from sale of assets	858	22,257
Proceeds from sale of equity method investment	—	3,263
Net cash used in investing activities	(2,057,908)	(1,006,674)
Financing activities		
Repayments of borrowings under Credit Agreement	(1,613,000)	(1,235,500)
Borrowings under Credit Agreement	2,154,000	1,030,000
Repayments of borrowings under San Mateo Credit Facility	(181,000)	(165,000)
Borrowings under San Mateo Credit Facility	209,000	328,000
Cost to amend credit facilities	(2,192)	(463)
Proceeds from issuance of senior unsecured notes	750,000	—
Cost to issue senior unsecured notes	(12,909)	—
Purchase of senior unsecured notes	(509,670)	—
Proceeds from sale-leaseback financing obligation	24,000	—
Payments on sale-leaseback financing obligation	(331)	—
Repurchases of common stock	(12,106)	(44,249)
Dividends paid	(93,258)	(78,150)
Contributions related to formation of San Mateo	15,100	9,200
Distributions to non-controlling interest owners of less-than-wholly-owned subsidiaries	(59,290)	(62,230)
Taxes paid related to net share settlement of stock-based compensation	(6,005)	(11,081)
Other	(667)	(715)
Net cash provided by (used in) financing activities	661,672	(230,188)
Change in cash and restricted cash	11,438	(7,956)
Cash and restricted cash at beginning of period	79,477	94,742
Cash and restricted cash at end of period	$ 90,915	$ 86,786

The accompanying notes are an integral part of these financial statements.

NOTE 1 — NATURE OF OPERATIONS

Matador Resources Company, a Texas corporation ("Matador" and, collectively with its subsidiaries, the "Company"), 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. The Company's 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. The Company also has operations in the Haynesville shale and Cotton Valley plays in Northwest Louisiana. Additionally, the Company conducts midstream operations primarily through its midstream joint venture, San Mateo Midstream, LLC and its subsidiaries ("San Mateo"), in support of, and to provide flow assurance for, the Company's exploration, development and production operations, and San Mateo provides natural gas processing, oil transportation services, oil, natural gas and produced water gathering services and produced water disposal services to third parties.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Interim Financial Statements, Basis of Presentation, Consolidation and Significant Estimates

The interim unaudited condensed consolidated financial statements of the Company have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC") but do not include all of the information and footnotes required by generally accepted accounting principles in the United States of America ("U.S. GAAP") for complete financial statements and should be read in conjunction with the Company's audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on February 26, 2026 (the "Annual Report").

The Company consolidates certain subsidiaries and joint ventures that are less-than-wholly-owned and are not involved in oil and natural gas exploration, including San Mateo, and the net income and equity attributable to the non-controlling interest in these subsidiaries have been reported separately as required by Accounting Standards Codification Topic 810, *Consolidation*. The Company proportionately consolidates certain joint ventures that are less-than-wholly-owned and are involved in oil and natural gas exploration. All intercompany accounts and transactions have been eliminated in consolidation.

Certain reclassifications to captions within the interim unaudited condensed consolidated balance sheets, statements of operations and statements of changes in shareholders' equity have been made to the prior period's financial statements to conform to the current period presentation. These reclassifications had no effect on previously reported results of operations, cash flows or retained earnings. In management's opinion, these interim unaudited condensed consolidated financial statements include all normal, recurring adjustments that are necessary for a fair presentation of the Company's interim unaudited condensed consolidated financial statements as of June 30, 2026. Amounts as of December 31, 2025 are derived from the Company's audited consolidated financial statements included in the Annual Report.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. These estimates and assumptions may also affect disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company's interim unaudited condensed consolidated financial statements are based on a number of significant estimates, including oil and natural gas revenues, accrued assets and liabilities, stock-based compensation, valuation of derivative instruments, deferred tax assets and liabilities, purchase price allocations and oil and natural gas reserves. The estimates of oil and natural gas reserves quantities and future net cash flows are the basis for the calculations of depletion and impairment of oil and natural gas properties, as well as estimates in the purchase price allocations and of asset retirement obligations and certain tax accruals. While the Company believes its estimates are reasonable, changes in facts and assumptions or the discovery of new information may result in revised estimates. Actual results could differ from these estimates.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — Continued

Revenues

The following table summarizes the Company's total revenues and revenues from contracts with customers on a disaggregated basis for the three and six months ended June 30, 2026 and 2025 (in thousands).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues from contracts with customers	$ 1,173,423	$ 925,678	$ 2,115,027	$ 1,931,851
Realized (loss) gain on derivatives	(72,488)	6,947	(86,981)	9,661
Unrealized gain (loss) on derivatives	85,457	(37,313)	(170,017)	(32,242)
Total revenues	$ 1,186,392	$ 895,312	$ 1,858,029	$ 1,909,270

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Oil revenues	$ 1,126,425	$ 719,380	$ 1,914,774	$ 1,468,701
Natural gas revenues	(38,841)	96,394	(8,459)	256,991
Third-party midstream services revenues	44,593	42,007	86,684	75,506
Sales of purchased natural gas	41,246	67,897	122,028	130,653
Total revenues from contracts with customers	$ 1,173,423	$ 925,678	$ 2,115,027	$ 1,931,851

Property and Equipment

The Company uses the full-cost method of accounting for its investments in oil and natural gas properties. Under this method, the Company is required to perform a ceiling test each quarter that determines a limit, or ceiling, on the capitalized costs of oil and natural gas properties based primarily on the after-tax estimated future net cash flows from oil and natural gas properties using a 10% discount rate and the arithmetic average of first-day-of-the-month oil and natural gas prices for the prior 12-month period. For each of the three and six months ended June 30, 2026 and 2025, the cost center ceiling was higher than the capitalized costs of oil and natural gas properties, and, as a result, no impairment charge was necessary.

The Company capitalized approximately $19.2 million and $18.2 million of its general and administrative costs for the three months ended June 30, 2026 and 2025, respectively, and $40.3 million and $35.7 million of its general and administrative costs for the six months ended June 30, 2026 and 2025, respectively. The Company capitalized approximately $4.6 million and $6.2 million of its interest expense for the three months ended June 30, 2026 and 2025, respectively, and $11.6 million and $14.9 million of its interest expense for the six months ended June 30, 2026 and 2025, respectively.

Earnings Per Common Share

The Company reports basic earnings attributable to Matador shareholders per common share, which excludes the effect of potentially dilutive securities, and diluted earnings attributable to Matador shareholders per common share, which includes the effect of all potentially dilutive securities unless their impact is anti-dilutive.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — Continued

The following table sets forth the computation of diluted weighted average common shares outstanding for the three and six months ended June 30, 2026 and 2025 (in thousands).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Weighted average common shares outstanding				
Basic	124,156	124,418	124,205	124,804
Dilutive effect of options and restricted stock units	—	38	—	173
Diluted weighted average common shares outstanding	124,156	124,456	124,205	124,977

NOTE 3 — ACQUISITIONS

Bureau of Land Management ("BLM") Oil and Gas Lease Acquisition

In May 2026, the Company completed the acquisition of 5,154 net undeveloped acres in the core of the Delaware Basin in Southeast New Mexico for approximately $1.16 billion as part of the BLM Oil and Gas Lease Sale (the "BLM Acquisition"). The acquired acreage complements the Company's existing acreage position, and as a result, includes proved undeveloped reserves in addition to unproved and unevaluated reserves.

The BLM Acquisition was accounted for as an asset acquisition. The purchase price is allocated to the underlying assets acquired based upon their relative fair values as of the acquisition date as set forth below (in thousands).

	Allocation
Unproved and unevaluated	$ 912,054
Evaluated	248,100
Total oil and natural gas properties acquired	$ 1,160,154

The fair value measurements of the assets acquired were based on inputs that are not observable in the market and therefore represent Level 3 inputs. The fair value of evaluated oil and gas properties were measured using the discounted cash flow technique of valuation. Significant inputs to the valuation of oil and gas properties include estimates of: (i) future production volumes, (ii) future commodity prices and (iii) the weighted average cost of capital. These inputs require significant judgments and estimates and are the most sensitive and subject to change.

NOTE 4 — ASSET RETIREMENT OBLIGATIONS

The following table summarizes the changes in the Company's asset retirement obligations for the six months ended June 30, 2026 (in thousands).

Beginning asset retirement obligations	$ 150,372
Liabilities incurred during period	4,462
Liabilities settled during period	(380)
Accretion expense	4,620
Ending asset retirement obligations	159,074
Less: current asset retirement obligations[1]	(3,883)
Long-term asset retirement obligations	$ 155,191

(1) Included in accounts payable and accrued liabilities in the Company's interim unaudited condensed consolidated balance sheet at June 30, 2026.

NOTE 5 — DEBT

The components of debt, including the effects of issuance costs and discounts, net as of June 30, 2026 and December 31, 2025, are set forth below (in thousands).

	June 30, 2026	December 31, 2025
Revolving credit agreements:		
Credit Agreement due 2029	$ 939,000	$ 398,000
San Mateo Credit Facility due 2029	911,000	883,000
Senior unsecured notes:		
6.875% senior notes due 2028 (the "2028 Notes")	—	500,000
6.500% senior notes due 2032 (the "2032 Notes")	900,000	900,000
6.250% senior notes due 2033 (the "2033 Notes")	750,000	750,000
6.000% senior notes due 2034 (the "2034 Notes")	750,000	—
Issuance costs and discounts, net	(33,590)	(28,898)
Total senior unsecured notes payable	2,366,410	2,121,102
Total long-term debt	$ 4,216,410	$ 3,402,102

Credit Agreements

MRC Energy Company

At June 30, 2026, the Company had $939.0 million in borrowings outstanding under the Company's reserves-based revolving credit facility (the "Credit Agreement") and approximately $53.8 million in outstanding letters of credit issued pursuant to the Credit Agreement. Since June 30, 2026, the Company's borrowings increased $243.0 million under the Credit Agreement, and at August 5, 2026, the Company had $1.18 billion in borrowings outstanding.

The outstanding borrowings under the Credit Agreement mature on March 22, 2029. The borrowing base under the Credit Agreement is determined semi-annually as of May 1 and November 1 by the lenders based primarily on the estimated value of the Company's proved oil and natural gas reserves at December 31 and June 30 of each year, respectively. The Company and the lenders may each request an unscheduled redetermination of the borrowing base once between scheduled redetermination dates.

In June 2026, in connection with the regularly scheduled May 1 redetermination, the borrowing base of the Credit Agreement was reaffirmed at $3.25 billion. Additionally, the Company elected to, and the lenders agreed to, increase the borrowing commitments from $2.25 billion to $2.75 billion.

The Credit Agreement requires the Company to maintain (i) a current ratio, which is defined as (x) total consolidated current assets plus the unused availability under the Credit Agreement divided by (y) total consolidated current liabilities less current maturities of debt, of not less than 1.0 at the end of each fiscal quarter, and (ii) a debt to EBITDA ratio, which is defined as debt outstanding (net of up to the greater of $150.0 million or 10% of the elected borrowing commitments of unrestricted cash and cash equivalents), divided by a rolling four quarter EBITDA calculation, of 3.5 or less at the end of each fiscal quarter. The Company was in compliance with the terms of the Credit Agreement at June 30, 2026.

San Mateo Midstream, LLC

At June 30, 2026, San Mateo had $911.0 million in borrowings outstanding under its secured revolving credit facility (the "San Mateo Credit Facility") and approximately $15.4 million in outstanding letters of credit issued pursuant to the San Mateo Credit Facility. Since June 30, 2026, San Mateo's borrowings increased $25.0 million under the San Mateo Credit Facility, and at August 5, 2026, San Mateo had $936.0 million in borrowings outstanding.

The San Mateo Credit Facility is non-recourse with respect to Matador and its other subsidiaries but is guaranteed by San Mateo's subsidiaries and secured by substantially all of San Mateo's assets, including real property. The outstanding borrowings under the San Mateo Credit Facility mature on November 26, 2029.

NOTE 5 — DEBT — Continued

The San Mateo Credit Facility requires San Mateo to maintain a debt to EBITDA ratio, which is defined as total consolidated funded indebtedness outstanding (as defined in the San Mateo Credit Facility) divided by a rolling four quarter EBITDA calculation, of 5.00 or less, subject to certain exceptions. The San Mateo Credit Facility also requires San Mateo to maintain an interest coverage ratio, which is defined as a rolling four quarter EBITDA calculation divided by San Mateo's consolidated interest expense for such period, of 2.50 or more. The San Mateo Credit Facility also restricts the ability of San Mateo to distribute cash to its members if San Mateo's debt to EBITDA ratio is greater than 4.50 or San Mateo's liquidity is less than 10% of the lender commitments under the San Mateo Credit Facility. San Mateo was in compliance with the terms of the San Mateo Credit Facility at June 30, 2026.

Senior Unsecured Notes

2028 Notes Tender Offer and Redemption

In March 2026, the Company completed the repurchase of an aggregate principal amount of $419.8 million of the $500.0 million of the 2028 Notes pursuant to the Company's cash tender offer announced on February 26, 2026 (the "2028 Notes Tender Offer"). Additionally, in March 2026, the Company irrevocably deposited funds with the trustee to redeem the remaining aggregate principal amount of $80.2 million of 2028 Notes outstanding on April 15, 2026 (the "2028 Notes Redemption"), and as a result of such deposit, to satisfy and discharge the Company's obligations under the indenture governing the 2028 Notes. In connection with the 2028 Notes Tender Offer and 2028 Notes Redemption, the Company incurred a loss on debt extinguishment of $15.6 million, including a $9.7 million cash prepayment premium and a $5.9 million write-off of remaining unamortized deferred issuance costs and discounts.

2034 Notes

On March 5, 2026, the Company completed the sale of $750.0 million in aggregate principal amount of the 2034 Notes, which have a 6.0% coupon rate and mature on April 15, 2034. Interest is payable in arrears on each April 15 and October 15. The first interest payment date will be October 15, 2026. The 2034 Notes are jointly and severally guaranteed on a senior unsecured basis by certain subsidiaries of the Company (the "Guarantors"). San Mateo is not a Restricted Subsidiary (as defined in the indenture governing the 2034 Notes (the "2034 Notes Indenture")) or Guarantor of the 2034 Notes.

The Company used the net proceeds from the sale of the 2034 Notes of $737.9 million, after deducting initial purchasers' discounts and estimated offering expenses, to fund the 2028 Notes Tender Offer and 2028 Notes Redemption and for general corporate purposes.

At any time prior to April 15, 2029, the Company may redeem up to 40% in aggregate principal amount of the 2034 Notes at a redemption price of 106.0% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, in an amount not greater than the net proceeds of certain equity offerings, so long as the redemption occurs within 180 days of completing such equity offering and at least 60% of the aggregate principal amount of the 2034 Notes remains outstanding immediately after such redemption. In addition, at any time prior to April 15, 2029, the Company may redeem all or part of the 2034 Notes for cash at a redemption price equal to 100% of their principal amount plus an applicable make-whole premium and accrued and unpaid interest, if any, to the applicable redemption date.

On or after April 15, 2029, the Company may redeem all or a part of the 2034 Notes at any time or from time to time at the following redemption prices (expressed as percentages of the principal amount) plus accrued and unpaid interest, if any, to the applicable redemption date, if redeemed during the twelve-month period beginning on April 15 of the years indicated below:

Year	Redemption Price
2029	103.0%
2030	101.5%
2031 and thereafter	100.0%

Subject to certain exceptions, the 2034 Notes Indenture contains various covenants that limit the Company's and its Restricted Subsidiaries' ability to take certain actions, including the following:

- incur additional indebtedness;
- sell assets;

NOTE 5 — DEBT — Continued

- pay dividends or make certain investments;
- create liens that secure indebtedness;
- enter into transactions with affiliates; and
- merge or consolidate with another company.

In the case of an event of default arising from certain events of bankruptcy or insolvency with respect to Matador, any Restricted Subsidiary that is a Significant Subsidiary (as defined in the 2034 Notes Indenture) or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, all outstanding 2034 Notes will become due and payable immediately without further action or notice. If any other event of default occurs and is continuing, the trustee or the holders of at least 25% in principal amount of the then outstanding 2034 Notes may declare all the 2034 Notes to be due and payable immediately. Events of default include the following:

- default for 30 days in the payment when due of interest on the 2034 Notes;
- default in the payment when due of the principal of, or premium, if any, on the 2034 Notes;
- failure by the Company to comply with its obligations to offer to purchase or purchase 2034 Notes pursuant to the change of control or asset sale covenants of the 2034 Notes Indenture or to comply with the covenant relating to mergers;
- failure by the Company for 180 days after notice to comply with its reporting obligations under the 2034 Notes Indenture;
- failure by the Company for 60 days after notice to comply with any of the other agreements in the 2034 Notes Indenture;
- payment defaults and accelerations with respect to other indebtedness of the Company and its Restricted Subsidiaries in the aggregate principal amount of $100.0 million or more;
- failure by the Company or any Restricted Subsidiary to pay certain final judgments aggregating in excess of $100.0 million within 60 days;
- any subsidiary guarantee by a Guarantor ceases to be in full force and effect, is declared null and void in a judicial proceeding or is denied or disaffirmed by its maker; and
- certain events of bankruptcy or insolvency with respect to the Company or any Restricted Subsidiary that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary.

NOTE 6 — INCOME TAXES

The Company recorded a current income tax provision of $0.2 million for each of the three and six months ended June 30, 2026 and a deferred income tax provision of $106.6 million and $105.9 million for the three and six months ended June 30, 2026, respectively. The Company recorded a current income tax provision of $23.1 million and $46.1 million and a deferred income tax provision of $33.4 million and $93.3 million for the three and six months ended June 30, 2025, respectively. The decrease in the current income tax provision and increase in the deferred income tax provision for the three and six months ended June 30, 2026 compared to the respective periods of 2025 were primarily the result of the One Big Beautiful Bill Act of 2025 (the "OBBBA"). See Note 8, *Income Taxes*, of the Company's Annual Report for further details of the provisions of the OBBBA that most significantly affect its income taxes. Additionally, the increase in the total income tax provision resulted from higher income before income taxes.

The Company's effective income tax rate was 21% for the three months ended June 30, 2026. The Company's effective income tax rate of 23% for the six months ended June 30, 2026 differed from the U.S. federal statutory rate primarily due to state taxes in New Mexico, partially offset by the impact of permanent differences between book and tax income recognized discretely in the current period. The Company's effective income tax rates of 27% and 26% for the three and six months ended June 30, 2025, respectively, differed from the U.S. federal statutory rate primarily due to state taxes in New Mexico.

NOTE 6 — INCOME TAXES — Continued

The Company's cash (refunds) payments for income taxes during the three and six months ended June 30, 2026 and 2025 are as follows (in thousands).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Federal	$ (22,733)	$ 43,000	$ (22,733)	$ 43,000
State				
New Mexico	—	7,500	(4,039)	7,500
Other	—	—	(50)	—
Total cash (refunds) payments for income taxes	$ (22,733)	$ 50,500	$ (26,822)	$ 50,500

NOTE 7 — EQUITY

Stock-Based Compensation

During the six months ended June 30, 2026, the Company granted awards to certain of its employees of 392,000 service-based restricted stock units to be settled in cash, which are liability instruments, and 392,000 performance-based stock units and 2,500 service-based shares of restricted stock, which are equity instruments. The performance-based stock units vest in an amount between zero and 200% of the target units granted based on the Company's relative total shareholder return over the three-year period ending December 31, 2028, as compared to a designated peer group. The service-based restricted stock and restricted stock units vest over a three-year period. The fair value of these awards was approximately $37.6 million on their respective grant dates.

Common Stock Dividend

Matador's Board of Directors (the "Board") declared a quarterly cash dividend of $0.375 per share of common stock in each of the first and second quarters of 2026. The first quarter dividend, which totaled $46.8 million, was paid on March 10, 2026 to shareholders of record as of February 27, 2026. The second quarter dividend, which totaled $46.4 million, was paid on June 5, 2026 to shareholders of record as of May 8, 2026. On July 22, 2026, the Board declared a quarterly cash dividend of $0.375 per share of common stock payable on September 8, 2026 to shareholders of record as of August 10, 2026.

Share Repurchase Program

As further described in the Annual Report, the Company maintains a share repurchase program (the "Share Repurchase Program") authorizing the repurchase of up to $400.0 million of common stock. During the three and six months ended June 30, 2026, the Company repurchased 225,000 and 242,702 shares of common stock, respectively, under the Share Repurchase Program at a weighted average price of $49.59 and $48.88 per common share, respectively, for a total cost of $11.2 million and $11.9 million, respectively.

San Mateo Distributions and Contributions

During the three months ended June 30, 2026 and 2025, San Mateo distributed $30.1 million and $29.6 million, respectively, to the Company and $28.9 million and $28.4 million, respectively, to a subsidiary of Five Point Infrastructure LLC ("Five Point"), the Company's joint venture partner in San Mateo. During the six months ended June 30, 2026 and 2025, San Mateo distributed $61.7 million and $64.8 million to the Company and $59.3 million and $62.2 million, respectively, to Five Point. During the three and six months ended June 30, 2026 and 2025, there were no contributions to San Mateo by either the Company or Five Point.

NOTE 7 — EQUITY — Continued

Performance Incentives

Five Point paid the Company $8.2 million and $6.4 million of performance incentives during the three months ended June 30, 2026 and 2025, respectively. Five Point paid the Company $15.1 million and $9.2 million of performance incentives during the six months ended June 30, 2026 and 2025, respectively. These performance incentives are recorded when received, net of the $1.7 million and $1.3 million deferred tax impact to the Company for the three months ended June 30, 2026 and 2025, respectively, and $3.1 million and $1.9 million deferred tax impact to the Company for the six months ended June 30, 2026 and 2025, respectively, in "Additional paid-in capital" in the Company's interim unaudited condensed consolidated balance sheets. These performance incentives received in the three and six months ended June 30, 2026 and 2025 are also denoted as "Contributions related to formation of San Mateo" under "Financing activities" in the Company's interim unaudited condensed consolidated statements of cash flows and changes in shareholders' equity.

NOTE 8 — DERIVATIVE FINANCIAL INSTRUMENTS

At June 30, 2026, the Company had various costless collar and price call contracts open and in place to mitigate its exposure to oil and natural gas price volatility, each with an established price floor and ceiling. At June 30, 2026, the Company had natural gas swap and natural gas basis differential swap contracts open and in place to mitigate its exposure to natural gas price volatility, with a specific term (calculation period), notional quantity (volume hedged) and fixed price. The Company had no open contracts associated with natural gas liquids prices at June 30, 2026.

The following is a summary of the Company's open costless collar contracts at June 30, 2026.

Commodity	Calculation Period	Notional Quantity (Bbl or MMBtu)	Weighted Average Price Floor ($/Bbl or $/MMBtu)	Weighted Average Price Ceiling ($/Bbl or $/MMBtu)	Fair Value of Asset (Liability) (thousands)
Oil - WTI	07/01/2026 - 12/31/2026	12,328,000	$ 52.75	$ 66.36	$ (66,064)
Oil - WTI	01/01/2027 - 12/31/2027	3,650,000	$ 55.00	$ 76.00	(2,807)
Natural Gas - Henry Hub	07/01/2026 - 12/31/2026	27,600,000	$ 3.50	$ 6.70	9,226
Total open costless collar contracts					$ (59,645)

The following is a summary of the Company's open price call contracts at June 30, 2026.

Commodity	Calculation Period	Notional Quantity (Bbl)	Fixed Price ($/Bbl)	Fair Value of Asset (Liability) (thousands)
Oil - WTI	07/01/2026 - 12/31/2026	12,236,000	$ 100.00	$ (57,059)
Total open price call contracts				$ (57,059)

The following is a summary of the Company's open swap contracts at June 30, 2026.

Commodity	Calculation Period	Notional Quantity (MMBtu)	Fixed Price ($/MMBtu)	Fair Value of Asset (Liability) (thousands)
Natural Gas - Waha	07/01/2026 - 07/31/2026	3,100,000	$ (0.53)	$ (4,042)
Total open swap contracts				$ (4,042)

NOTE 8 — DERIVATIVE FINANCIAL INSTRUMENTS — Continued

The following is a summary of the Company's open basis differential swap contracts at June 30, 2026.

Commodity	Calculation Period	Notional Quantity (MMBtu)	Fixed Price ($/MMBtu)	Fair Value of Asset (Liability) (thousands)
Natural Gas Basis Differential - Waha	07/01/2026 - 12/31/2026	27,600,000	$ (2.52)	$ (11,944)
Natural Gas Basis Differential - Houston Ship Channel	07/01/2026 - 09/30/2029	135,432,000	$ (0.37)	(3,275)
Total open basis differential swap contracts				$ (15,219)

The Company's derivative financial instruments are subject to master netting arrangements, and the Company's counterparties allow for cross-commodity master netting provided the settlement dates for the commodities are the same. The Company does not present different types of commodities with the same counterparty on a net basis in its interim unaudited condensed consolidated balance sheets.

The following table presents the gross asset and liability fair values of the Company's commodity price derivative financial instruments and the location of these balances in the interim unaudited condensed consolidated balance sheets as of June 30, 2026 and December 31, 2025 (in thousands).

Derivative Instruments	Gross amounts recognized	Gross amounts netted in the condensed consolidated balance sheets	Net amounts presented in the condensed consolidated balance sheets
June 30, 2026			
Current assets	$ 30,294	$ (16,697)	$ 13,597
Other assets	8,291	(8,291)	—
Current liabilities	(157,789)	16,697	(141,092)
Long-term liabilities	(16,761)	8,291	(8,470)
Total	$ (135,965)	$ —	$ (135,965)
December 31, 2025			
Current assets	$ 57,450	$ (23,398)	$ 34,052
Current liabilities	(23,398)	23,398	—
Total	$ 34,052	$ —	$ 34,052

NOTE 8 — DERIVATIVE FINANCIAL INSTRUMENTS — Continued

The following table summarizes the location and aggregate gain (loss) of all derivative financial instruments recorded in the interim unaudited condensed consolidated statements of operations for the periods presented (in thousands).

Type of Instrument	Location in Condensed Consolidated Statement of Operations	Three Months Ended June 30,		Six Months Ended June 30,	
		2026	2025	2026	2025
Derivative Instrument					
Oil	Revenues: Realized loss on derivatives	$ (171,817)	$ —	$ (223,634)	$ —
Natural Gas	Revenues: Realized gain on derivatives	99,329	6,947	136,653	9,661
Realized (loss) gain on derivatives		(72,488)	6,947	(86,981)	9,661
Oil	Revenues: Unrealized gain (loss) on derivatives	186,091	17,724	(126,648)	1,582
Natural Gas	Revenues: Unrealized loss on derivatives	(100,634)	(55,037)	(43,369)	(33,824)
Unrealized gain (loss) on derivatives		85,457	(37,313)	(170,017)	(32,242)
Total		$ 12,969	$ (30,366)	$ (256,998)	$ (22,581)

NOTE 9 — FAIR VALUE MEASUREMENTS

The Company measures and reports certain financial and non-financial assets and liabilities on a fair value basis. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). Fair value measurements are classified and disclosed in one of the following categories.

Level 1 Unadjusted quoted prices for identical, unrestricted assets or liabilities in active markets.

Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability. This category includes those derivative instruments that are valued with industry standard models that consider various inputs, including: (i) quoted forward prices for commodities, (ii) time value of money and (iii) current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these inputs are observable in the marketplace throughout the full term of the derivative instrument and can be derived from observable data or supported by observable levels at which transactions are executed in the marketplace.

Level 3 Unobservable inputs that are not corroborated by market data that reflect a company's own market assumptions.

Financial and non-financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment, which may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels.

NOTE 9 — FAIR VALUE MEASUREMENTS — Continued

The following tables summarize the valuation of the Company's financial assets and liabilities that were accounted for at fair value on a recurring basis in accordance with the classifications provided above as of June 30, 2026 and December 31, 2025 (in thousands).

	Fair Value Measurements at June 30, 2026 using			
Description	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets (Liabilities)				
Oil costless collars	$ —	$ (68,871)	$ —	$ (68,871)
Oil price calls	—	(57,059)	—	(57,059)
Natural gas costless collars	—	9,226	—	9,226
Natural gas swaps	—	(4,042)	—	(4,042)
Natural gas basis differential swaps	—	(15,219)	—	(15,219)
Total	$ —	$ (135,965)	$ —	$ (135,965)

	Fair Value Measurements at December 31, 2025 using			
Description	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets (Liabilities)				
Oil costless collars	$ —	$ 717	$ —	$ 717
Natural gas costless collars	—	17,396	—	17,396
Natural gas basis differential swaps	—	15,939	—	15,939
Total	$ —	$ 34,052	$ —	$ 34,052

Additional disclosures related to derivative financial instruments are provided in Note 8, *Derivative Financial Instruments*.

Other Fair Value Measurements

At June 30, 2026 and December 31, 2025, the carrying values reported on the interim unaudited condensed consolidated balance sheets for accounts receivable, prepaid expenses and other current assets, accounts payable, accrued liabilities, royalties payable, amounts due to affiliates, advances from joint interest owners and other current liabilities approximated their fair values due to their short-term maturities.

At June 30, 2026 and December 31, 2025, the carrying value of borrowings under the Credit Agreement and the San Mateo Credit Facility approximated their fair value as both are subject to short-term floating interest rates that reflect market rates available to the Company at the time and are classified at Level 2 in the fair value hierarchy.

The following table summarizes the carrying values and fair values of outstanding senior unsecured notes at June 30, 2026 and December 31, 2025 (in thousands).

		June 30, 2026		December 31, 2025	
	Fair Value Hierarchy	**Carrying Value**	**Fair Value**	**Carrying Value**	**Fair Value**
2028 Notes	Level 1	$ —	$ —	$ 500,000	$ 511,585
2032 Notes	Level 1	$ 900,000	$ 905,490	$ 900,000	$ 914,265
2033 Notes	Level 1	$ 750,000	$ 748,688	$ 750,000	$ 751,920
2034 Notes	Level 1	$ 750,000	$ 732,278	$ —	$ —

NOTE 9 — FAIR VALUE MEASUREMENTS — Continued

Certain assets and liabilities are measured at fair value on a nonrecurring basis, including assets and liabilities acquired in a business combination, lease and well equipment inventory when the market value is determined to be lower than the cost of the inventory, and other property and equipment that are reduced to fair value when they are impaired or held for sale. See Note 3, *Acquisitions*, for a discussion of the fair value measurement of assets acquired as part of the BLM Acquisition.

NOTE 10 — COMMITMENTS AND CONTINGENCIES

Processing, Transportation and Produced Water Disposal Commitments

Firm Commitments

From time to time, the Company enters into agreements with third parties whereby the Company commits to deliver anticipated natural gas and oil production and produced water from certain portions of its acreage for transportation, gathering, processing, fractionation, sales and disposal. The Company paid approximately $39.9 million and $22.0 million for services under these agreements during the three months ended June 30, 2026 and 2025, respectively, and $65.2 million and $43.4 million for services under these agreements during the six months ended June 30, 2026 and 2025, respectively. Certain of these agreements contain minimum volume commitments. If the Company does not meet the minimum volume commitments under these agreements, it will be required to pay certain deficiency fees. If the Company ceased operations in the areas subject to these agreements at June 30, 2026, the total deficiencies required to be paid by the Company under these agreements would be approximately $2.37 billion.

San Mateo Commitments

The Company dedicated to San Mateo its current and certain future leasehold interests in the Rustler Breaks asset area and the Wolf portion of the West Texas asset area and acreage in the southern portion of the Arrowhead asset area (the "Greater Stebbins Area") and the Stateline asset area pursuant to 15-year, fixed-fee oil transportation, oil, natural gas and produced water gathering and produced water disposal agreements. In addition, the Company dedicated to San Mateo its current and certain future leasehold interests in the Rustler Breaks asset area and acreage in the Greater Stebbins Area and Stateline asset area pursuant to 15-year, fixed-fee natural gas processing agreements. The Company also dedicated to San Mateo certain of its current and future leasehold interests in the Ranger and Antelope Ridge asset areas pursuant to 15-year, fixed-fee natural gas gathering, compression, treating and processing agreements (collectively with the transportation, gathering, produced water disposal and natural gas processing agreements, the "Operational Agreements"). San Mateo provides the Company with firm service under each of the Operational Agreements in exchange for certain minimum volume commitments. The remaining minimum contractual obligation under the Operational Agreements at June 30, 2026 was approximately $646.2 million.

Legal Proceedings

The Company is a party to several legal proceedings encountered in the ordinary course of its business. While the ultimate outcome and impact on the Company cannot be predicted with certainty, in the opinion of management, it is remote that these legal proceedings will have a material adverse impact on the Company's financial condition, results of operations or cash flows.

NOTE 11 — SUPPLEMENTAL DISCLOSURES

Accounts Payable and Accrued Liabilities

The following table summarizes the Company's current accounts payable and accrued liabilities at June 30, 2026 and December 31, 2025 (in thousands).

	June 30, 2026	December 31, 2025
Accrued evaluated and unproved and unevaluated property costs	$ 272,810	$ 151,680
Accounts payable	243,765	179,337
Accrued lease operating expenses	107,295	85,009
Accrued partners' share of joint interest charges	43,546	24,427
Accrued interest on debt	42,906	32,157
Accrued derivative payments	41,309	—
Accrued compensation and benefits	25,262	33,162
Accrued midstream properties costs	22,011	7,648
Accrued payable related to purchased natural gas	12,127	10,530
Accrued asset retirement obligations	3,883	6,309
Other	21,862	10,361
Total accounts payable and accrued liabilities	$ 836,776	$ 540,620

Supplemental Cash Flow Information

The following table provides supplemental disclosures of cash flow information for the six months ended June 30, 2026 and 2025 (in thousands).

	Six Months Ended June 30,	
	2026	2025
Cash paid for interest expense, net of amounts capitalized	$ 40,502	$ 77,377
Increase (decrease) in asset retirement obligations related to mineral properties	$ 3,929	$ (2,613)
Increase in asset retirement obligations related to midstream properties	$ 153	$ 8
Increase (decrease) in liabilities for drilling, completion and equipping capital expenditures	$ 106,264	$ (34,910)
Increase in liabilities for acquisition of oil and natural gas properties	$ 4,920	$ 444
Increase in liabilities for midstream properties capital expenditures	$ 14,451	$ 17,884
Stock-based compensation expense recognized as a liability	$ 12,034	$ 5,111
Transfer of inventory from oil and natural gas properties	$ (232)	$ (17,648)

The following table provides a reconciliation of cash and restricted cash recorded in the interim unaudited condensed consolidated balance sheets to cash and restricted cash as presented on the interim unaudited condensed consolidated statements of cash flows (in thousands).

	Six Months Ended June 30,	
	2026	2025
Cash	$ 26,318	$ 10,520
Restricted cash	64,597	76,266
Total cash and restricted cash	$ 90,915	$ 86,786

NOTE 12 — SEGMENT INFORMATION

The Company has two business segments: (i) exploration and production and (ii) midstream. The exploration and production segment is engaged in the exploration, development, production and acquisition of oil and natural gas resources in the United States and is currently 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. The Company also has operations in the Haynesville shale and Cotton Valley plays in Northwest Louisiana. The midstream segment conducts midstream operations in support of, and provides flow assurance for, the Company's exploration, development and production operations and provides natural gas processing, oil transportation services, oil, natural gas and produced water gathering services and produced water disposal services to third parties. The majority of the Company's midstream operations in the Delaware Basin are conducted through San Mateo.

The Company's chief operating decision maker ("CODM") is the Chairman and Chief Executive Officer. The CODM uses operating income to assess income generated from each segment to allocate resources by either reinvesting profits as midstream or drilling and completion capital expenditures, or for determining the appropriate amounts for acquisition spend, the repayment of debt, the payment of dividends and repurchases of common stock.

The following tables present selected financial information for the periods presented regarding the Company's business segments on a stand-alone basis, corporate expenses that are not allocated to a segment and the consolidation and elimination entries necessary to arrive at the financial information for the Company on a consolidated basis (in thousands). On a consolidated basis, midstream services revenues consist primarily of those revenues from midstream operations related to third parties, including working interest owners in the Company's operated wells. All midstream services revenues associated with Company-owned production are eliminated in consolidation. In evaluating the operating results of the exploration and production and midstream segments, the Company does not allocate certain expenses to the individual segments, including general and administrative expenses. Such expenses are reflected in the column labeled "Corporate."

	Exploration and Production	Midstream	Corporate	Consolidations and Eliminations	Consolidated Company
Three Months Ended June 30, 2026					
Oil and natural gas revenues	$ 1,083,333	$ 4,251	$ —	$ —	$ 1,087,584
Midstream services revenues	—	146,328	—	(101,735)	44,593
Sales of purchased natural gas	3,024	38,222	—	—	41,246
Realized loss on derivatives	(72,488)	—	—	—	(72,488)
Unrealized gain on derivatives	85,457	—	—	—	85,457
Operating expense[1]	148,823	60,536	—	(41,875)	167,484
Other expenses[2]	409,089	57,003	35,354	(59,860)	441,586
Operating income[3]	$ 541,414	$ 71,262	$ (35,354)	$ —	$ 577,322
Total assets[4]	$ 11,459,104	$ 1,900,557	$ 134,905	$ —	$ 13,494,566
Capital expenditures[5]	$ 1,594,747	$ 44,041	$ (44)	$ —	$ 1,638,744

(1) Includes lease operating expense for the exploration and production segment and midstream operating expense for the midstream segment.

(2) Includes depletion, depreciation and amortization expenses of $297.1 million and $17.6 million for the exploration and production and midstream segments, respectively. Also includes corporate depletion, depreciation and amortization expenses of $0.4 million. Other expenses for each reportable segment also include (i) transportation and processing, (ii) general and administrative expenses, (iii) accretion of asset retirement obligations, (iv) purchased natural gas and (v) taxes other than income.

(3) Includes $23.0 million in net income attributable to non-controlling interest in subsidiaries related to the midstream segment.

(4) Excludes intercompany receivables and investments in subsidiaries.

(5) Includes $1.18 billion attributable to land and seismic acquisition expenditures related to the exploration and production segment, $6.2 million attributable to midstream acquisition expenditures and $13.4 million in capital expenditures attributable to non-controlling interest in subsidiaries related to the midstream segment.

NOTE 12 — SEGMENT INFORMATION — Continued

	Exploration and Production	Midstream	Corporate	Consolidations and Eliminations	Consolidated Company
Three Months Ended June 30, 2025					
Oil and natural gas revenues	$ 813,115	$ 2,659	$ —	$ —	$ 815,774
Midstream services revenues	—	137,125	—	(95,118)	42,007
Sales of purchased natural gas	29,682	38,215	—	—	67,897
Realized gain on derivatives	6,947	—	—	—	6,947
Unrealized loss on derivatives	(37,313)	—	—	—	(37,313)
Operating expense[1]	151,530	44,456	—	(46,299)	149,687
Other expenses[2]	427,230	51,755	26,795	(48,819)	456,961
Operating income[3]	$ 233,671	$ 81,788	$ (26,795)	$ —	$ 288,664
Total assets[4]	$ 9,405,046	$ 1,770,840	$ 104,024	$ —	$ 11,279,910
Capital expenditures[5]	$ 389,113	$ 101,487	$ 814	$ —	$ 491,414

(1) Includes lease operating expense for the exploration and production segment and midstream operating expense for the midstream segment.

(2) Includes depletion, depreciation and amortization expenses of $289.0 million and $13.1 million for the exploration and production and midstream segments, respectively. Also includes corporate depletion, depreciation and amortization expenses of $0.4 million. Other expenses for each reportable segment also include (i) transportation and processing, (ii) general and administrative expenses, (iii) accretion of asset retirement obligations, (iv) purchased natural gas and (v) taxes other than income.

(3) Includes $32.1 million in net income attributable to non-controlling interest in subsidiaries related to the midstream segment.

(4) Excludes intercompany receivables and investments in subsidiaries.

(5) Includes $43.8 million attributable to land and seismic acquisition expenditures related to the exploration and production segment and $45.3 million in capital expenditures attributable to non-controlling interest in subsidiaries related to the midstream segment.

	Exploration and Production	Midstream	Corporate	Consolidations and Eliminations	Consolidated Company
Six Months Ended June 30, 2026					
Oil and natural gas revenues	$ 1,899,284	$ 7,031	$ —	$ —	$ 1,906,315
Midstream services revenues	—	282,276	—	(195,592)	86,684
Sales of purchased natural gas	37,391	84,637	—	—	122,028
Realized loss on derivatives	(86,981)	—	—	—	(86,981)
Unrealized loss on derivatives	(170,017)	—	—	—	(170,017)
Operating expense[1]	296,001	115,763	—	(81,527)	330,237
Other expenses[2]	823,694	124,180	69,840	(114,065)	903,649
Operating income[3]	$ 559,982	$ 134,001	$ (69,840)	$ —	$ 624,143
Total assets[4]	$ 11,459,104	$ 1,900,557	$ 134,905	$ —	$ 13,494,566
Capital expenditures[5]	$ 2,073,807	$ 59,775	$ 2,088	$ —	$ 2,135,670

(1) Includes lease operating expense for the exploration and production segment and midstream operating expense for the midstream segment.

(2) Includes depletion, depreciation and amortization expenses of $572.4 million and $34.6 million for the exploration and production and midstream segments, respectively. Also includes corporate depletion, depreciation and amortization expenses of $0.8 million. Other expenses for each reportable segment also includes (i) transportation and processing, (ii) general and administrative expenses, (iii) accretion of asset retirement obligations, (iv) purchased natural gas and (v) taxes other than income.

(3) Includes $43.1 million in net income attributable to non-controlling interest in subsidiaries related to the midstream segment.

NOTE 12 — SEGMENT INFORMATION — Continued

(4) Excludes intercompany receivables and investments in subsidiaries.

(5) Includes $1.24 billion attributable to land and seismic acquisition expenditures related to the exploration and production segment, $6.2 million attributable to midstream acquisition expenditures and $18.6 million in capital expenditures attributable to non-controlling interest in subsidiaries related to the midstream segment.

	Exploration and Production	Midstream	Corporate	Consolidations and Eliminations	Consolidated Company
Six Months Ended June 30, 2025					
Oil and natural gas revenues	$ 1,719,046	$ 6,646	$ —	$ —	$ 1,725,692
Midstream services revenues	—	257,104	—	(181,598)	75,506
Sales of purchased natural gas	55,259	75,394	—	—	130,653
Realized gain on derivatives	9,661	—	—	—	9,661
Unrealized loss on derivatives	(32,242)	—	—	—	(32,242)
Operating expense[1]	297,396	96,260	—	(87,755)	305,901
Other expenses[2]	858,570	105,177	55,650	(93,843)	925,554
Operating income[3]	$ 595,758	$ 137,707	$ (55,650)	$ —	$ 677,815
Total assets[4]	$ 9,405,046	$ 1,770,840	$ 104,024	$ —	$ 11,279,910
Capital expenditures[5]	$ 865,265	$ 178,671	$ 1,756	$ —	$ 1,045,692

(1) Includes lease operating expense for the exploration and production segment and midstream operating expense for the midstream segment.

(2) Includes depletion, depreciation and amortization expenses of $558.5 million and $25.2 million for the exploration and production and midstream segments, respectively. Also includes corporate depletion, depreciation and amortization expenses of $0.8 million. Other expenses for each reportable segment also include (i) transportation and processing, (ii) general and administrative expenses, (iii) accretion of asset retirement obligations, (iv) purchased natural gas and (v) taxes other than income.

(3) Includes $54.3 million in net income attributable to non-controlling interest in subsidiaries related to the midstream segment.

(4) Excludes intercompany receivables and investments in subsidiaries.

(5) Includes $125.6 million attributable to land and seismic acquisition expenditures related to the exploration and production segment and $76.1 million in capital expenditures attributable to non-controlling interest in subsidiaries related to the midstream segment.

NOTE 13 — SUBSEQUENT EVENTS

Paloma Acquisition

On July 22, 2026, a wholly-owned subsidiary of the Company entered into a definitive agreement to acquire Paloma Permian, LLC ("Paloma") from a portfolio company of EnCap Investments L.P. ("EnCap"), including certain proved undeveloped acreage and oil and natural gas producing properties located in Eddy and Lea Counties, New Mexico (the "Paloma Acquisition"). The consideration for the Paloma Acquisition will consist of a cash payment of $1.275 billion, subject to customary closing adjustments, including for working capital and for title and environmental defects. The consummation of the Paloma Acquisition is subject to the satisfaction or waiver of a number of customary closing conditions and is expected to close in the fourth quarter of 2026, with an effective date of June 1, 2026. This acquisition is expected to be funded through cash on hand and borrowings under the Company's existing reserves-based Credit Agreement, for which the elected commitment level was increased to $2.75 billion as discussed in Note 5, *Debt*.

Ridge Runner Acquisition

On July 22, 2026, a wholly-owned subsidiary of the Company entered into a definitive agreement to acquire from subsidiaries of Ridge Runner Resources II, LLC, a portfolio company of EnCap, primarily undeveloped acreage and certain oil and natural gas producing properties located the Woodford play in Lea County, New Mexico and Winkler and Ward Counties, Texas (the "Ridge Runner Acquisition"). The consummation of the Ridge Runner Acquisition is subject to the satisfaction or waiver of a number of customary closing conditions and is expected to close in the fourth quarter of 2026, with an effective date of June 1, 2026. This acquisition is expected to be funded through cash on hand and borrowings under the Company's

Note 13 — SUBSEQUENT EVENTS — Continued

existing reserves-based Credit Agreement, for which the elected commitment level was increased to $2.75 billion as discussed in Note 5, *Debt*.

Cardinal Acquisition

On July 31, 2026, a wholly-owned subsidiary of San Mateo completed the acquisition of the operating subsidiaries of Cardinal Midstream Partners, LLC ("Cardinal"), a portfolio company of EnCap Flatrock Midstream, for total cash consideration of $752.0 million, subject to certain customary post-closing purchase price adjustments (the "Cardinal Acquisition"). The purchase price for the Cardinal Acquisition was funded through a combination of (i) borrowings under a new $650.0 million term loan due July 30, 2027 under the San Mateo Credit Facility, (ii) capital contributions by Matador and Five Point to San Mateo of $51.0 million and $49.0 million, respectively, and (iii) cash on hand.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our interim unaudited condensed consolidated financial statements and related notes thereto contained herein and the consolidated financial statements and related notes thereto contained in our Annual Report on Form 10-K for the year ended December 31, 2025 (the "Annual Report") filed with the Securities and Exchange Commission (the "SEC") on February 26, 2026, along with Management's Discussion and Analysis of Financial Condition and Results of Operations contained in the Annual Report. The Annual Report is accessible on the SEC's website at www.sec.gov and on our website at www.matadorresources.com. Our discussion and analysis includes forward-looking information that involves risks and uncertainties and should be read in conjunction with the "Risk Factors" section of the Annual Report and the section entitled "Cautionary Note Regarding Forward-Looking Statements" below for information about the risks and uncertainties that could cause our actual results to be materially different than our forward-looking statements.

In this Quarterly Report on Form 10-Q (this "Quarterly Report"), (i) references to "we," "our" or the "Company" refer to Matador Resources Company and its subsidiaries as a whole (unless the context indicates otherwise), (ii) references to "Matador" refer solely to Matador Resources Company and (iii) references to "San Mateo" refer to San Mateo Midstream, LLC, collectively with its subsidiaries. For certain oil and natural gas terms used in this Quarterly Report, please see the "Glossary of Oil and Natural Gas Terms" included with the Annual Report.

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this Quarterly Report constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Additionally, forward-looking statements may be made orally or in press releases, conferences, reports, on our website or otherwise, in the future by us or on our behalf. All statements, other than statements of historical fact, included in this Quarterly Report regarding our strategy, future operations, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. Such statements are generally identifiable by the terminology used such as "anticipate," "believe," "continue," "could," "estimate," "expect," "forecasted," "hypothetical," "intend," "may," "might," "plan," "potential," "predict," "project," "seek," "should," "would" or other similar words, although not all forward-looking statements contain such identifying words.

By their very nature, forward-looking statements require us to make assumptions that may not materialize or that may not be accurate. Forward-looking statements are subject to known and unknown risks and uncertainties and other factors that may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Such factors include those described in the "Risk Factors" section of the Annual Report, as well as the following factors, among others: general economic conditions, including the effects of inflation and interest rates; tariffs and trade tensions; our ability to execute our business plan, including whether our drilling program is successful; changes in oil, natural gas and natural gas liquids ("NGL") prices and the demand for oil, natural gas and NGLs; our ability to replace reserves and efficiently develop current reserves; the operating results of our midstream business's 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 NGLs or the construction, expansion or operation of our midstream assets; delays and other difficulties related to regulatory and governmental approvals and restrictions; impact on our operations due to seismic events; availability of sufficient capital to execute our business plan, including from future cash flows, capital markets, available borrowing capacity under our revolving credit facilities and otherwise; our ability to make acquisitions on economically acceptable terms; our ability to integrate acquisitions, including the Cardinal Acquisition, the Paloma Acquisition and the Ridge Runner Acquisition (each as defined below); the operating results of and availability of any potential distributions from our joint ventures; weather conditions, environmental conditions and natural disasters; our ability to consummate the Paloma Acquisition and the Ridge Runner Acquisition in the anticipated timeframes or at all; risks related to the satisfaction or waiver of the conditions to closing the Paloma Acquisition and the Ridge Runner Acquisition in the anticipated timeframes or at all; risks related to obtaining the requisite regulatory approvals for the Paloma Acquisition and the Ridge Runner Acquisition; disruption from our acquisitions, including the Cardinal Acquisition, the Paloma Acquisition and the Ridge Runner Acquisition, making it more difficult to maintain business and operational relationships; significant transaction costs associated with our acquisitions, including the Cardinal Acquisition, the Paloma Acquisition and the Ridge Runner Acquisition; evolving cybersecurity risks; the risk of litigation and/or regulatory actions related to our acquisitions, including the Cardinal Acquisition, the Paloma Acquisition and the Ridge Runner Acquisition; and the other factors discussed below and elsewhere in this Quarterly Report and in other documents that we file with or furnish to the SEC, all of which are difficult to predict. Forward-looking statements may include statements about:

- our business strategy;
- our estimated future reserves and the present value thereof, including whether or not a full-cost ceiling impairment could be realized;
- our cash flows and liquidity;
- the amount, timing and payment of dividends, if any;

- our financial strategy, budget, projections and operating results;
- the supply and demand of oil, natural gas and NGLs;
- oil, natural gas and NGL prices, including our realized prices thereof;
- the timing and amount of future production of oil and natural gas;
- the availability of drilling and production equipment;
- the availability of oil storage capacity;
- the availability and cost of oil field labor;
- the amount, nature and timing of capital expenditures, including future exploration and development costs;
- the availability and terms of capital;
- our drilling of wells;
- our ability to negotiate and consummate acquisition and divestiture opportunities;
- the integration of acquisitions, including the Cardinal Acquisition, the Paloma Acquisition and the Ridge Runner Acquisition, with our business;
- government regulation and taxation of the oil and natural gas industry;
- tariffs and trade restrictions;
- our marketing of oil and natural gas;
- our exploitation projects or property acquisitions;
- the ability of our midstream business to construct, maintain and operate midstream pipelines and facilities, including the operation of cryogenic natural gas processing plants and the drilling of additional salt water disposal wells;
- the ability of our midstream business to attract third-party volumes;
- our costs of exploiting and developing our properties and conducting other operations;
- general economic conditions;
- competition in the oil and natural gas industry, including in both the exploration and production and midstream segments;
- the effectiveness of our risk management and hedging activities;
- our technology;
- environmental liabilities;
- our initiatives and efforts relating to environmental, social and governance matters;
- counterparty credit risk;
- geopolitical instability and developments in oil-producing and natural gas-producing countries;
- our future operating results;
- the Cardinal Acquisition, the Paloma Acquisition and the Ridge Runner Acquisition, including the anticipated timing and benefits thereof;
- the impact of the One Big Beautiful Bill Act of 2025 (the "OBBBA"); and
- our plans, objectives, expectations and intentions contained in this Quarterly Report or in our other filings with the SEC that are not historical.

Although we believe that the expectations conveyed by the forward-looking statements in this Quarterly Report are reasonable based on information available to us on the date hereof, no assurances can be given as to future results, levels of activity, achievements or financial condition.

You should not place undue reliance on any forward-looking statement and should recognize that the statements are predictions of future results, which may not occur as anticipated. Actual results could differ materially from those anticipated in the forward-looking statements and from historical results, due to the risks and uncertainties described above, as well as others not now anticipated. The impact of any one factor on a particular forward-looking statement is not determinable with certainty as such factors are interdependent upon other factors. The foregoing statements are not exclusive and further information concerning us, including factors that potentially could materially affect our financial results, may emerge from time to time. We undertake no obligation to update forward-looking statements to reflect actual results or changes in factors or assumptions affecting such forward-looking statements, except as required by law, including the securities laws of the United States and the rules and regulations of the SEC.

Overview

We are 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. Our 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. We also have operations in the Haynesville shale and Cotton Valley plays in Northwest Louisiana. Additionally, we conduct midstream operations in support of, and to provide flow assurance for, our exploration, development and production operations and provide natural gas processing, oil transportation services, oil, natural gas and produced water gathering services and produced water disposal services to third parties.

Second Quarter Highlights

For the three months ended June 30, 2026, our total oil equivalent production was 19.6 million BOE, and our average daily oil equivalent production was 215,631 BOE per day, of which 126,106 Bbl per day, or 58%, was oil and 537.1 MMcf per day, or 42%, was natural gas. Our average daily oil production of 126,106 Bbl per day for the three months ended June 30, 2026 increased 3% year-over-year from 122,875 Bbl per day for the three months ended June 30, 2025. Our average daily natural gas production of 537.1 MMcf per day for the three months ended June 30, 2026 increased 4% year-over-year from 516.8 MMcf per day for the three months ended June 30, 2025. The Delaware Basin contributed 100% of our daily oil production and 97% of our daily natural gas production in each of the second quarters of 2026 and 2025.

For the second quarter of 2026, we reported net income attributable to Matador shareholders of $390.7 million, or $3.15 per diluted common share, on a GAAP basis, as compared to net income attributable to Matador shareholders of $150.2 million, or $1.21 per diluted common share, for the second quarter of 2025. For the second quarter of 2026, our Adjusted EBITDA, a non-GAAP financial measure, was $781.0 million, as compared to Adjusted EBITDA of $594.2 million during the second quarter of 2025.

For the six months ended June 30, 2026, we reported net income attributable to Matador shareholders of $354.8 million, or $2.86 per diluted common share, on a GAAP basis, as compared to net income attributable to Matador shareholders of $390.3 million, or $3.12 per diluted common share, for the six months ended June 30, 2025. For the six months ended June 30, 2026, our Adjusted EBITDA, a non-GAAP financial measure, was $1.36 billion, as compared to Adjusted EBITDA of $1.24 billion for the six months ended June 30, 2025.

For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to our net income and net cash provided by operating activities, see "—Liquidity and Capital Resources—Non-GAAP Financial Measures." For more information regarding our financial results for the three and six months ended June 30, 2026, see "—Results of Operations" below.

Acquisitions

In May 2026, we completed the acquisition of 5,154 net undeveloped acres in the core of the Delaware Basin in Southeast New Mexico for approximately $1.16 billion as part of the Bureau of Land Management Oil and Gas Lease Sale (the "BLM Acquisition"). The acquired acreage complements our existing acreage position, and as a result, includes proved undeveloped reserves in addition to unproved and unevaluated reserves.

Subsequent to the end of the reporting period, on July 22, 2026, we entered into a definitive agreement to acquire Paloma Permian, LLC ("Paloma") from a portfolio company of EnCap Investments L.P. ("EnCap"), including certain proved undeveloped acreage and oil and natural gas producing properties located in Eddy and Lea Counties, New Mexico (the "Paloma Acquisition"). The consideration for the Paloma Acquisition will consist of a cash payment of $1.275 billion, subject to customary closing adjustments, including for working capital and for title and environmental defects. The consummation of the Paloma Acquisition is subject to the satisfaction or waiver of a number of customary closing conditions and is expected to close in the fourth quarter of 2026, with an effective date of June 1, 2026.

On July 22, 2026, we entered into a definitive agreement to acquire from subsidiaries of Ridge Runner Resources II, LLC, a portfolio company of EnCap, primarily undeveloped acreage and certain oil and natural gas producing properties located in the Woodford play in Lea County, New Mexico and Winkler and Ward Counties, Texas (the "Ridge Runner Acquisition"). The consummation of the Ridge Runner Acquisition is subject to the satisfaction or waiver of a number of customary closing conditions and is expected to close in the fourth quarter of 2026, with an effective date of June 1, 2026.

On July 31, 2026, San Mateo completed the acquisition of the operating subsidiaries of Cardinal Midstream Partners, LLC ("Cardinal"), a portfolio company of EnCap Flatrock Midstream, for total cash consideration of $752.0 million, subject to certain customary post-closing purchase price adjustments (the "Cardinal Acquisition").

For discussion of the funding for these acquisitions, see "—Liquidity and Capital Resources" in Part I, Item 2 of this Quarterly Report.

2026 Capital Expenditure Budget

On August 5, 2026, we increased our estimated drilling, completing and equipping ("D/C/E") capital expenditures for 2026 to a range of $1.48 to $1.56 billion from a range of $1.35 to $1.44 billion, which includes our expected D/C/E capital expenditures on acreage acquired in the BLM Acquisition and expected to be acquired in the Paloma Acquisition and Ridge Runner Acquisition. On August 5, 2026, we also adjusted our estimated midstream capital expenditures for 2026 to a range of $145.0 to $165.0 million from a range of $100.0 to $110.0 million, which includes our proportionate share of San Mateo's estimated 2026 capital expenditures as well as the estimated 2026 capital expenditures for other wholly-owned midstream projects.

Critical Accounting Policies

There have been no changes to our critical accounting policies and estimates from those set forth in the Annual Report.

Recent Accounting Pronouncements

There are no recent accounting pronouncements that are expected to have a material impact on our financial statements.

Results of Operations

Revenues

The following table summarizes our unaudited revenues and production data for the periods indicated:

	Three Months Ended June 30,			
	2026	2025	$ Change	% Change
Operating Data				
Revenues (in thousands)[1]				
Oil	$ 1,126,425	$ 719,380	$ 407,045	57 %
Natural gas	(38,841)	96,394	(135,235)	(140)%
Total oil and natural gas revenues	1,087,584	815,774	271,810	33 %
Third-party midstream services revenues	44,593	42,007	2,586	6 %
Sales of purchased natural gas	41,246	67,897	(26,651)	(39)%
Realized (loss) gain on derivatives	(72,488)	6,947	(79,435)	(1,143)%
Unrealized gain (loss) on derivatives	85,457	(37,313)	122,770	(329)%
Total revenues	$ 1,186,392	$ 895,312	$ 291,080	33 %
Net Production Volumes[1]				
Oil (MBbl)	11,476	11,182	294	3 %
Natural gas (Bcf)	48.9	47.0	1.9	4 %
Total oil equivalent (MBOE)[2]	19,622	19,020	602	3 %
Average daily production (BOE/d)[2]	215,631	209,013	6,618	3 %
Average Sales Prices				
Oil, without realized derivatives (per Bbl)	$ 98.16	$ 64.34	$ 33.82	53 %
Oil, with realized derivatives (per Bbl)	$ 83.19	$ 64.34	$ 18.85	29 %
Natural gas, without realized derivatives (per Mcf)	$ (0.79)	$ 2.05	$ (2.84)	(139)%
Natural gas, with realized derivatives (per Mcf)	$ 1.24	$ 2.20	$ (0.96)	(44)%

(1) We report our production volumes in two streams: oil and natural gas, including both dry and liquids-rich natural gas. Revenues associated with NGLs are included with our natural gas revenues.

(2) Estimated using a conversion ratio of one Bbl of oil per six Mcf of natural gas.

Three Months Ended June 30, 2026 as Compared to Three Months Ended June 30, 2025

Oil and natural gas revenues. The increase in oil revenues resulted from the 53% increase in the weighted average oil price realized and the 3% increase in oil production. The decrease in natural gas revenues primarily resulted from the 139% decrease in the weighted average natural gas price realized and the 4% increase in natural gas production. For further discussion of factors impacting commodity prices, see "—General Outlook and Trends."

Third-party midstream services revenues. Third-party midstream services revenues are those revenues from midstream operations related to third parties, including working interest owners in our operated wells. The increase in third-party midstream services revenues was primarily attributable to a $3.0 million increase in our third-party natural gas gathering and processing revenues, which was partially offset by a $0.7 million decrease in our third-party water disposal revenues.

Sales of purchased natural gas. The decrease in sales of purchased natural gas was primarily the result of a 49% decrease in natural gas price realized, which was partially offset by a 20% increase in natural gas volumes sold. Sales of purchased natural gas reflect those natural gas purchase transactions that we periodically enter into with third parties whereby we purchase natural gas and (i) subsequently sell the natural gas to other purchasers or (ii) process the natural gas at San Mateo's cryogenic natural gas processing plants and subsequently sell the residue natural gas and NGLs to other purchasers. These revenues, and the expenses related to these transactions included in "Purchased natural gas," are presented on a gross basis in our interim unaudited condensed consolidated statements of operations.

Realized (loss) gain on derivatives. Our realized loss on derivatives was $72.5 million for the three months ended June 30, 2026, as compared to a realized gain of $6.9 million for the three months ended June 30, 2025. For the three months ended June 30, 2026, we recorded a net loss of $171.8 million related to our oil costless collars, resulting primarily from oil prices that were above the ceiling of certain of our oil costless collar contracts and the deferred call premiums on certain of our purchased oil call contracts. This loss was partially offset by a net gain of $99.3 million related to our natural gas costless collar and swap contracts, resulting primarily from natural gas prices that were below the floor of our natural gas costless collar contracts, natural gas prices that were below the fixed prices of certain of our natural gas swap contracts and natural gas basis differentials that were below the fixed prices of certain of our natural gas basis differential swap contracts. For the three months ended June 30, 2025, we recorded a net gain of $6.9 million related to our natural gas basis differential swap contracts, resulting primarily from natural gas basis differentials that were below the fixed prices of certain of our natural gas basis differential swap contracts. We realized an average loss on our oil derivatives of approximately $14.97 per Bbl produced during the three months ended June 30, 2026, as compared to no realized gains or losses from oil derivatives during the three months ended June 30, 2025. We realized an average gain on our natural gas derivatives of approximately $2.03 per Mcf produced during the three months ended June 30, 2026, as compared to an average gain of approximately $0.15 per Mcf produced during the three months ended June 30, 2025. See Note 8, *Derivative Financial Instruments*, for further details on our derivatives.

Unrealized gain (loss) on derivatives. During the three months ended June 30, 2026, the aggregate net fair value of our open oil and natural gas costless collar, oil price call, natural gas swap and natural gas basis differential swap contracts changed to a net liability of $136.0 million from a net liability of $221.4 million at March 31, 2026, resulting in an unrealized gain on derivatives of $85.5 million for the three months ended June 30, 2026. During the three months ended June 30, 2025, the aggregate net fair value of our open oil and natural gas costless collar and natural gas basis differential swap contracts changed to a net liability of $16.3 million from a net asset of $21.0 million at March 31, 2025, resulting in an unrealized loss on derivatives of $37.3 million for the three months ended June 30, 2025. See Note 8, *Derivative Financial Instruments*, for further details on our derivatives.

Expenses

The following table summarizes our unaudited operating expenses and other income (expense) for the periods indicated:

(In thousands, except expenses per BOE)	Three Months Ended June 30, 2026	2025	$ Change	% Change
Expenses				
Lease operating	$ 106,948	$ 105,230	$ 1,718	2 %
Transportation and processing	18,934	16,451	2,483	15 %
Midstream operating	60,536	44,457	16,079	36 %
Purchased natural gas	(38,912)	35,944	(74,856)	(208)%
Depletion, depreciation and amortization	315,144	302,602	12,542	4 %
Taxes other than income	102,794	68,010	34,784	51 %
Accretion of asset retirement obligations	2,352	1,767	585	33 %
General and administrative	41,274	32,187	9,087	28 %
Total expenses	609,070	606,648	2,422	— %
Operating income	577,322	288,664	288,658	100 %
Other income (expense)				
Interest expense	(60,819)	(53,345)	(7,474)	14 %
Other income	3,986	3,502	484	14 %
Total other expense	(56,833)	(49,843)	(6,990)	14 %
Income before income taxes	520,489	238,821	281,668	118 %
Income tax provision (benefit)				
Current	226	23,089	(22,863)	(99)%
Deferred	106,611	33,373	73,238	219 %
Total income tax provision	106,837	56,462	50,375	89 %
Net income	413,652	182,359	231,293	127 %
Net income attributable to non-controlling interest in subsidiaries	(23,000)	(32,134)	9,134	(28)%
Net income attributable to Matador Resources Company shareholders	$ 390,652	$ 150,225	$ 240,427	160 %
Expenses per BOE				
Lease operating	$ 5.45	$ 5.53	$ (0.08)	(1)%
Transportation and processing	$ 0.96	$ 0.86	$ 0.10	12 %
Midstream operating	$ 3.09	$ 2.34	$ 0.75	32 %
Depletion, depreciation and amortization	$ 16.06	$ 15.91	$ 0.15	1 %
Taxes other than income	$ 5.24	$ 3.58	$ 1.66	46 %
General and administrative	$ 2.10	$ 1.69	$ 0.41	24 %

Three Months Ended June 30, 2026 as Compared to Three Months Ended June 30, 2025

Lease operating. The increase in lease operating expense was primarily attributable to the increased number of wells being operated by us and other operators (where we own a working interest).

Transportation and processing. The increase in transportation and processing expenses is primarily due to the 3% increase in our total oil equivalent production and a change in the mix of revenue contracts between the periods.

Midstream operating. The increase in midstream operating expense was primarily attributable to a $9.3 million increase in pipeline operation expenses as a result of increased inlet connections and a $6.0 million increase in plant processing expenses as a result of increased gas gathering and processing volumes.

Purchased natural gas. The decrease in purchased natural gas expense was primarily due to a decline of approximately 910% in average Waha pricing resulting in negative prices during the current period, which was partially offset by a 55% increase in volumes purchased due to the weaker market pricing.

Depletion, depreciation and amortization. The increase in depletion, depreciation and amortization was primarily a result of the 3% increase in our total oil equivalent production and the addition of $282.2 million of proved reserves to the full cost pool as a result of the BLM Acquisition.

Taxes other than income. The increase in taxes other than income is primarily due to the increase in oil revenues, partially offset by the decrease in natural gas revenues.

General and administrative. The increase in general and administrative expense was largely attributable to a $4.2 million increase in employee compensation costs as a result of increased headcount and a $1.4 million increase in stock-based compensation expense primarily associated with our cash-settled stock awards, the values of which are remeasured at each reporting period. Additionally, general and administrative expense increased due to a $1.3 million increase in director and officer insurance and approximately $1.1 million in transaction costs associated with the Cardinal Acquisition.

Interest expense. The increase in interest expense for the three months ended June 30, 2026 compared to the three months ended June 30, 2025 was primarily due to a $164.5 million increase in average debt outstanding under the Credit Agreement, a $198.0 million increase in average debt outstanding under the San Mateo Credit Facility, and a $250.0 million increase in the weighted average of senior notes outstanding between the periods, partially offset by lower interest rates.

Income tax provision. The decrease in the current income tax provision and the increase in the deferred income tax provision were primarily due to the OBBBA. See Note 8, *Income Taxes*, of our Annual Report for further details of the provisions of the OBBBA that most significantly affect our income taxes. Additionally, the increase in the total income tax provision resulted from higher income before income taxes. Our effective income tax rate was 21% for the three months ended June 30, 2026. Our effective tax rate was 27% for the three months ended June 30, 2025, which differed from the U.S. federal statutory rate primarily due to state taxes in New Mexico.

Revenues

The following table summarizes our unaudited revenues and production data for the periods indicated:

	Six Months Ended June 30,			
	2026	2025	$ Change	% Change
Operating Data				
Revenues (in thousands)[1]				
Oil	$ 1,914,774	$ 1,468,701	$ 446,073	30 %
Natural gas	(8,459)	256,991	(265,450)	(103)%
Total oil and natural gas revenues	1,906,315	1,725,692	180,623	10 %
Third-party midstream services revenues	86,684	75,506	11,178	15 %
Sales of purchased natural gas	122,028	130,653	(8,625)	(7)%
Realized (loss) gain on derivatives	(86,981)	9,661	(96,642)	(1,000)%
Unrealized loss on derivatives	(170,017)	(32,242)	(137,775)	427 %
Total revenues	$ 1,858,029	$ 1,909,270	$ (51,241)	(3)%
Net Production Volumes[1]				
Oil (MBbl)	22,301	21,535	766	4 %
Natural gas (Bcf)	96.0	92.2	3.8	4 %
Total oil equivalent (MBOE)[2]	38,305	36,897	1,408	4 %
Average daily production (BOE/d)[2]	211,635	203,851	7,784	4 %
Average Sales Prices				
Oil, without realized derivatives (per Bbl)	$ 85.86	$ 68.20	17.66	26 %
Oil, with realized derivatives (per Bbl)	$ 75.83	$ 68.20	$ 7.63	11 %
Natural gas, without realized derivatives (per Mcf)	$ (0.09)	$ 2.79	$ (2.88)	(103)%
Natural gas, with realized derivatives (per Mcf)	$ 1.33	$ 2.89	$ (1.56)	(54)%

(1) We report our production volumes in two streams: oil and natural gas, including both dry and liquids-rich natural gas. Revenues associated with NGLs are included with our natural gas revenues.

(2) Estimated using a conversion ratio of one Bbl of oil per six Mcf of natural gas.

Six Months Ended June 30, 2026 as Compared to Six Months Ended June 30, 2025

Oil and natural gas revenues. The increase in oil revenues resulted from the 26% increase in the weighted average oil price realized and the 4% increase in our oil production. The decrease in natural gas revenues primarily resulted from the 103% decrease in the weighted average natural gas price realized and the 4% increase in our natural gas production. For further discussion of factors impacting commodity prices, see "—General Outlook and Trends."

Third-party midstream services revenues. Third-party midstream services revenues are those revenues from midstream operations related to third parties, including working interest owners in our operated wells. The increase in third-party midstream services revenues was primarily attributable to a $12.0 million increase in our third-party natural gas gathering and processing revenues, which was partially offset by a $1.3 million decrease in our third-party water disposal revenues.

Sales of purchased natural gas. The decrease in sales of purchased natural gas was primarily the result of a 37% decrease in natural gas price realized, which was partially offset by a 48% increase in natural gas volumes sold. Sales of purchased natural gas reflect those natural gas purchase transactions that we periodically enter into with third parties whereby we purchase natural gas and (i) subsequently sell the natural gas to other purchasers or (ii) process the natural gas at San Mateo's cryogenic natural gas processing plants and subsequently sell the residue natural gas and NGLs to other purchasers. These revenues, and the expenses related to these transactions included in "Purchased natural gas," are presented on a gross basis in our interim unaudited condensed consolidated statements of operations.

Realized loss on derivatives. Our realized loss on derivatives was $87.0 million for the six months ended June 30, 2026, as compared to a realized gain of $9.7 million for the six months ended June 30, 2025. For the six months ended June 30, 2026, we recorded a net loss of $223.6 million related to our oil costless collars, resulting primarily from oil prices that were above the ceiling of certain of our oil costless collar contracts and the deferred call premiums on certain of our purchased oil call contracts. This loss was partially offset by a net gain of $136.7 million related to our natural gas costless collar and swap contracts, resulting primarily from natural gas prices that were below the floor of our natural gas costless collar contracts, natural gas prices that were below the fixed prices of certain of our natural gas swap contracts and natural gas basis differentials that were below the fixed prices of certain of our natural gas basis differential swap contracts. For the six months ended June 30, 2025, we recorded a net gain of $9.7 million related to our natural gas basis differential swap contracts, resulting primarily from natural gas basis differentials that were below the fixed prices of certain of our natural gas basis differential swap contracts. We realized an average loss on our oil derivatives of approximately $10.03 per Bbl produced during the three months ended June 30, 2026, as compared to no realized gains or losses from oil derivatives during the six months ended June 30, 2025. We realized an average gain on our natural gas derivatives of approximately $1.42 per Mcf produced during the six months ended June 30, 2026, as compared to an average gain of approximately $0.10 per Mcf produced during the six months ended June 30, 2025. See Note 8, *Derivative Financial Instruments*, for further details on our derivatives.

Unrealized loss on derivatives. During the six months ended June 30, 2026, the aggregate net fair value of our open oil and natural gas costless collar, oil price call, natural gas swap and natural gas basis differential swap contracts changed to a net liability of $136.0 million from a net asset of $34.1 million at December 31, 2025, resulting in an unrealized loss on derivatives of $170.0 million for the six months ended June 30, 2026. During the six months ended June 30, 2025, the aggregate net fair value of our open oil and natural gas costless collar and natural gas basis differential swap contracts changed to a net liability of $16.3 million from a net asset of $16.0 million at December 31, 2024, resulting in an unrealized loss on derivatives of $32.2 million for the six months ended June 30, 2025. See Note 8, *Derivative Financial Instruments*, for further details on our derivatives.

Expenses

The following table summarizes our unaudited operating expenses and other income (expense) for the periods indicated:

(In thousands, except expenses per BOE)	Six Months Ended June 30, 2026	2025	$ Change	% Change
Expenses				
Lease operating	$ 214,474	$ 209,641	$ 4,833	2 %
Transportation and processing	33,776	36,512	(2,736)	(7)%
Midstream operating	115,763	96,260	19,503	20 %
Purchased natural gas	3,423	90,077	(86,654)	(96)%
Depletion, depreciation and amortization	607,848	584,493	23,355	4 %
Taxes other than income	173,685	145,059	28,626	20 %
Accretion of asset retirement obligations	4,620	3,494	1,126	32 %
General and administrative	80,297	65,919	14,378	22 %
Total expenses	1,233,886	1,231,455	2,431	— %
Operating income	624,143	677,815	(53,672)	(8)%
Other income (expense)				
Interest expense	(112,344)	(102,834)	(9,510)	9 %
Loss on debt extinguishment	(15,587)	—	(15,587)	100 %
Loss on asset sales	(578)	—	(578)	100 %
Other income	8,353	9,008	(655)	(7)%
Total other expense	(120,156)	(93,826)	(26,330)	28 %
Income before income taxes	503,987	583,989	(80,002)	(14)%
Income tax provision (benefit)				
Current	226	46,070	(45,844)	(100)%
Deferred	105,927	93,313	12,614	14 %
Total income tax provision	106,153	139,383	(33,230)	(24)%
Net income	397,834	444,606	(46,772)	(11)%
Net income attributable to non-controlling interest in subsidiaries	(43,054)	(54,296)	11,242	(21)%
Net income attributable to Matador Resources Company shareholders	$ 354,780	$ 390,310	$ (35,530)	(9)%
Expenses per BOE				
Lease operating	$ 5.60	$ 5.68	$ (0.08)	(1)%
Transportation and processing	$ 0.88	$ 0.99	$ (0.11)	(11)%
Midstream operating	$ 3.02	$ 2.61	$ 0.41	16 %
Depletion, depreciation and amortization	$ 15.87	$ 15.84	$ 0.03	— %
Taxes other than income	$ 4.53	$ 3.93	$ 0.60	15 %
General and administrative	$ 2.10	$ 1.79	$ 0.31	17 %

Six Months Ended June 30, 2026 as Compared to Six Months Ended June 30, 2025

Lease operating. The increase in lease operating expense was primarily attributable to the increased number of wells being operated by us and other operators (where we own a working interest).

Transportation and processing. The decrease in transportation and processing expenses is primarily due to additional allowable deductions identified in the state of New Mexico and a change in the mix of revenue contracts between the periods.

Midstream operating. The increase in midstream operating expense was primarily attributable to an $11.2 million increase in plant processing expenses as a result of increased gas gathering and processing volumes and a $9.5 million increase in pipeline operation expenses as a result of increased inlet connections.

Purchased natural gas. The decrease in purchased natural gas expense was primarily due to a decline of approximately 520% in average Waha pricing, partially offset by a 30% increase in volumes purchased due to the weaker market pricing.

Depletion, depreciation and amortization. The increase in depletion, depreciation and amortization was primarily a result of the 4% increase in our total oil equivalent production and the addition of $282.2 million of proved reserves to the full cost pool as a result of the BLM Acquisition.

Taxes other than income. The increase in taxes other than income was primarily due to the increase in oil revenues, partially offset by the decrease in natural gas revenues.

General and administrative. The increase in general and administrative expense was largely attributable to a $14.2 million increase in employee compensation costs, as a result of increased headcount and an $8.2 million increase in stock-based compensation expense primarily associated with our cash-settled stock awards, the values of which are remeasured at each reporting period. Additionally, the increase in general and administrative expense was due to a $1.3 million increase in director and officer insurance and approximately $1.1 million in transaction costs associated with the Cardinal Acquisition. These increases were partially offset by a $4.5 million increase in capitalized general and administrative expenses.

Interest expense. The increase in interest expense for the six months ended June 30, 2026 compared to the six months ended June 30, 2025 was primarily due to a $175.8 million increase in average debt outstanding under the Credit Agreement, a $200.5 million increase in average debt outstanding under the San Mateo Credit Facility, and a $158.9 million increase in the weighted average of senior notes outstanding between the periods, partially offset by lower interest rates.

Loss on debt extinguishment. In connection with the 2028 Notes Tender Offer and 2028 Notes Redemption, both of which as defined in "—Liquidity and Capital Resources" below, we incurred a loss on debt extinguishment of $15.6 million, including a $9.7 million cash prepayment premium and a $5.9 million write-off of remaining unamortized deferred issuance costs and discounts.

Income tax provision. The decrease in the current income tax provision and the increase in the deferred income tax provisions were primarily due to the OBBBA. See Note 8, *Income Taxes*, of our Annual Report for further details of the provisions of the OBBBA that most significantly affect our income taxes. Additionally, the decrease in the total income tax provision resulted from lower income before income taxes. Our effective income tax rate of 23% for the six months ended June 30, 2026 differed from the U.S. federal statutory rate primarily due to state taxes in New Mexico, partially offset by the impact of permanent differences between book and tax income recognized discretely in the current period. Our effective tax rate of 26% for the six months ended June 30, 2025 differed from the U.S. federal statutory rate primarily due to state taxes in New Mexico.

Liquidity and Capital Resources

Our primary use of capital has been, and we expect will continue to be during the remainder of 2026 and for the foreseeable future, for the acquisition, exploration and development of oil and natural gas properties and for midstream investments. We expect to fund our 2026 capital expenditures through a combination of cash on hand, operating cash flows and performance incentives paid to us by Five Point or its affiliates. If capital expenditures were to exceed these sources of cash during the remainder of 2026, we expect to fund any such excess capital expenditures, including for significant acquisitions, through borrowings under our secured revolving credit facility (the "Credit Agreement") or San Mateo's secured revolving credit facility (the "San Mateo Credit Facility") (assuming availability under such facilities) or through other capital sources, including borrowings under expanded or additional credit arrangements, the sale or joint venture of midstream assets, oil and natural gas producing assets, leasehold interests or mineral interests and potential issuances of equity, debt or convertible securities, none of which may be available on satisfactory terms or at all. Our future success in growing proved reserves and production will be highly dependent on our ability to generate operating cash flows and access outside sources of capital.

The table below reflects our sources and availability of liquidity at June 30, 2026. See Note 5, *Debt*, for further details.

(In thousands)	Total Balance	Availability	
Cash	$ 26,318	$ 26,318	
Credit Agreement	$ 939,000	$ 1,757,156	(1)
San Mateo Credit Facility	$ 911,000	$ 173,600	(2)
6.500% senior notes due 2032 (the "2032 Notes")	$ 900,000		(3)
6.250% senior notes due 2033 (the "2033 Notes")	$ 750,000		(3)
6.000% senior notes due 2034 (the "2034 Notes")	$ 750,000		(3)

(1) Reduced by approximately $53.8 million in outstanding letters of credit issued pursuant to the Credit Agreement.

(2) Reduced by approximately $15.4 million in outstanding letters of credit issued pursuant to the San Mateo Credit Facility.

(3) We believe we have access to additional financing and refinancing, if needed, although we can make no assurances as to the form or terms of such financing.

In March 2026, we completed the repurchase of an aggregate principal amount of $419.8 million of the $500.0 million of outstanding senior notes due 2028 (the "2028 Notes") as part of our cash tender offer announced on February 26, 2026 (the "2028 Notes Tender Offer"). Additionally, in March 2026, we irrevocably deposited funds with the trustee to redeem the remaining aggregate principal amount of $80.2 million of 2028 Notes outstanding on April 15, 2026 (the "2028 Notes Redemption"), and as a result of such deposit, to satisfy and discharge our obligations under the indenture governing the 2028 Notes.

Additionally, in March 2026, we completed the sale of $750.0 million in aggregate principal amount of our 6.00% senior notes due 2034 (the "2034 Notes"). We used the net proceeds from the sale of the 2034 Notes (the "2034 Notes Offering") of $737.9 million, after deducting initial purchasers' discounts and estimated offering expenses, to fund the 2028 Notes Tender Offer and 2028 Notes Redemption and for general corporate purposes.

In June 2026, in connection with the regularly scheduled May 1 redetermination, the borrowing base of the Credit Agreement was reaffirmed at $3.25 billion. Additionally, we elected to, and the lenders agreed to, increase the borrowing commitments from $2.25 billion to $2.75 billion.

See Note 5, *Debt*, for further details of these debt transactions.

As further described in the Annual Report, we maintain a share repurchase program (the "Share Repurchase Program") authorizing the repurchase of up to $400.0 million of common stock. During the three and six months ended June 30, 2026, we repurchased 225,000 and 242,702 shares of common stock, respectively, under the Share Repurchase Program at a weighted average price of $49.59 and $48.88 per common share, respectively, for a total cost of $11.2 million and $11.9 million, respectively.

Matador's Board of Directors (the "Board") declared and paid quarterly cash dividends of $0.375 per share of common stock in each of the first and second quarters of 2026. On July 22, 2026, the Board declared a quarterly cash dividend of $0.375 per share of common stock payable on September 8, 2026 to shareholders of record as of August 10, 2026.

The BLM Acquisition was funded through cash on hand and borrowings under our existing reserves-based Credit Agreement. The Paloma Acquisition and the Ridge Runner Acquisition are expected to be funded through cash on hand and borrowings under our existing reserves-based Credit Agreement, for which the elected commitment level was increased to $2.75 billion as discussed above.

In connection with the Cardinal Acquisition, on July 31, 2026, San Mateo entered into a $650.0 million term loan due July 30, 2027 under the San Mateo Credit Facility. The purchase price was additionally funded through capital contributions by Matador and Five Point to San Mateo of $51.0 million and $49.0 million, respectively, and cash on hand.

Since June 30, 2026, our borrowings increased $243.0 million under the Credit Agreement, and at August 5, 2026, we had $1.18 billion in borrowings outstanding. Since June 30, 2026, San Mateo's borrowings increased $25.0 million under the San Mateo Credit Facility, and at August 5, 2026, San Mateo had $936.0 million in borrowings outstanding.

We expect that development of our Delaware Basin assets will be the primary focus of our operations and capital expenditures for the remainder of 2026. We have built significant optionality into our drilling program, which should generally allow us to decrease or increase the number of rigs we operate as necessary based on changing commodity prices and other factors. On August 5, 2026, we increased our estimated drilling, completing and equipping ("D/C/E") capital expenditures for 2026 to a range of $1.48 to $1.56 billion from a range of $1.35 to $1.44 billion, which includes our expected D/C/E capital expenditures on acreage acquired in the BLM Acquisition and expected to be acquired in the Paloma Acquisition and the Ridge Runner Acquisition. On August 5, 2026, we also adjusted our estimated midstream capital expenditures for 2026 to a range of $145.0 to $165.0 million from a range of $100.0 to $110.0 million, which includes our proportionate share of San Mateo's estimated 2026 capital expenditures as well as the estimated 2026 capital expenditures for other wholly-owned midstream projects. Substantially all of these 2026 estimated capital expenditures are expected to be allocated to (i) the further delineation and development of our leasehold position, (ii) the construction, installation and maintenance of midstream assets and (iii) our participation in certain non-operated well opportunities. Our Delaware Basin operated drilling program for the remainder of 2026 is expected to focus on the continued development of our various asset areas throughout the Delaware Basin, with a continued emphasis on drilling and completing a high percentage of longer horizontal wells.

We intend to continue evaluating the opportunistic acquisition of producing properties, acreage and mineral interests and midstream assets, principally in the Delaware Basin. Purchase price multiples and per-acre prices can vary significantly based on the asset or prospect. As a result, it is difficult to estimate these capital expenditures with any degree of certainty; therefore, we have not provided estimated capital expenditures related to acquiring producing properties, acreage and mineral interests and midstream assets for 2026.

As we have done in recent years, we may divest portions of our non-core assets as well as consider monetizing other assets, such as certain midstream assets and mineral and royalty interests, as value-creating opportunities arise. Divestitures and other types of monetizations are difficult to estimate with any degree of certainty. Therefore, we have not provided estimated proceeds related to divestitures or monetizations for 2026.

Our 2026 capital expenditures may be adjusted as business conditions warrant, and the amount, timing and allocation of such expenditures is largely discretionary and within our control. The aggregate amount of capital we will expend may fluctuate materially based on market conditions, the actual costs to drill, complete and place on production operated or non-operated wells, our drilling results, the actual costs and scope of our midstream activities, the ability of our joint venture partners to meet their capital obligations, other opportunities that may become available to us and our ability to obtain capital. When oil or natural gas prices decline, or costs increase significantly, we have the flexibility to defer a significant portion of our capital expenditures until later periods to conserve cash or to focus on projects that we believe have the highest expected returns and potential to generate near-term cash flows. We routinely monitor and adjust our capital expenditures in response to changes in prices, availability of financing, drilling, completion and acquisition costs, industry conditions, the timing of regulatory approvals, the availability of rigs, success or lack of success in our exploration and development activities, contractual obligations, drilling plans for properties we do not operate and other factors both within and outside our control.

Exploration and development activities are subject to a number of risks and uncertainties, which could cause these activities to be less successful than we anticipate. A significant portion of our anticipated cash flows from operations for the remainder of 2026 is expected to come from producing wells and development activities on currently proved properties in the Delaware Basin. Our existing operated and non-operated wells may not produce at the levels we are forecasting or may be temporarily shut in or restricted due to low commodity prices, and our exploration and development activities in these areas may not be as successful as we anticipate. Additionally, our anticipated cash flows from operations are based upon current expectations of oil and natural gas prices for 2026 and the hedges we currently have in place. For further discussion of our expectations of such commodity prices, see "—General Outlook and Trends" below. At times, we use commodity derivative financial instruments to mitigate our exposure to fluctuations in oil, natural gas and NGL prices and to partially offset reductions in our cash flows from operations resulting from declines in commodity prices. See Note 8, *Derivative Financial Instruments*, in this Quarterly Report for a summary of our open derivative financial instruments.

Cash Flows

Our unaudited cash flows for the six months ended June 30, 2026 and 2025 are presented below:

	Six Months Ended June 30,			
(In thousands)	**2026**	**2025**	**$ Change**	**% Change**
Net cash provided by operating activities	$ 1,407,674	$ 1,228,906	$ 178,768	15 %
Net cash used in investing activities	(2,057,908)	(1,006,674)	(1,051,234)	104 %
Net cash provided by (used in) financing activities	661,672	(230,188)	891,860	(387)%
Net change in cash and restricted cash	$ 11,438	$ (7,956)	$ 19,394	(244)%
Adjusted EBITDA attributable to Matador Resources Company shareholders[(1)]	$ 1,358,179	$ 1,238,468	$ 119,711	10 %

(1) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to our net income and net cash provided by operating activities, see "—Non-GAAP Financial Measures" below.

Net Cash Provided by Operating Activities

Excluding changes in operating assets and liabilities, net cash provided by operating activities increased $151.8 million to $1.33 billion for the six months ended June 30, 2026 from $1.18 billion for the six months ended June 30, 2025. This increase was primarily attributable to higher realized oil prices and increased oil production for the six months ended June 30, 2026, as compared to the six months ended June 30, 2025, partially offset by lower realized natural gas prices and higher natural gas production. Changes in our operating assets and liabilities between the periods resulted in a $27.0 million increase in net cash provided by operating activities for the six months ended June 30, 2026, as compared to the six months ended June 30, 2025.

Net Cash Used in Investing Activities

The increase in net cash used in investing activities between the periods was primarily due to (i) a $1.10 billion increase in expenditures related to the acquisition of oil and natural gas properties, primarily the BLM Acquisition, (ii) a $37.6 million cash deposit related to the Cardinal Acquisition and (iii) a $21.4 million decrease in cash provided by proceeds from the sale of assets, partially offset by a $121.1 million decrease in midstream capital expenditures.

Net Cash Provided by (Used in) Financing Activities

The decrease in net cash used in financing activities between the periods was primarily due to (i) a $746.5 million increase in net borrowings under the Credit Agreement, (ii) $737.1 million of net proceeds received from the 2034 Notes Offering during the period, (iii) a $32.1 million decrease in repurchases of common stock, (iv) $23.7 million of net proceeds from a sale-leaseback financing obligation and (v) a $5.9 million increase in performance incentives received from Five Point, partially offset by (i) $509.7 million used to repurchase the principal amount of the 2028 Notes, (ii) a $135.0 million decrease in net borrowings under the San Mateo Credit Agreement and (iii) a $15.1 million increase in dividends paid.

See Note 5, *Debt*, in this Quarterly Report for a summary of our debt, including the Credit Agreement, the San Mateo Credit Facility, the 2032 Notes, the 2033 Notes and the 2034 Notes.

Non-GAAP Financial Measures

We define Adjusted EBITDA as earnings before interest expense, income taxes, depletion, depreciation and amortization, accretion of asset retirement obligations, unrealized derivative gains and losses, non-recurring transaction costs for certain acquisitions, non-cash stock-based compensation expense, loss on debt extinguishment, net gain or loss on asset sales and impairments and certain other non-cash items. Adjusted EBITDA is not a measure of net income or cash flows as determined by GAAP. Adjusted EBITDA is a supplemental non-GAAP financial measure that is used by management and external users of our consolidated financial statements, such as industry analysts, investors, lenders and rating agencies.

Management believes Adjusted EBITDA is necessary because it allows us to evaluate our operating performance and compare the results of operations from period to period without regard to our financing methods or capital structure. We exclude the items listed above from net income in calculating Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which certain assets were acquired.

Adjusted EBITDA should not be considered an alternative to, or more meaningful than, net income or net cash provided by operating activities as determined in accordance with GAAP or as a primary indicator of our 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. Our 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.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Unaudited Adjusted EBITDA Reconciliation to Net Income				
Net income attributable to Matador Resources Company shareholders	$ 390,652	$ 150,225	$ 354,780	$ 390,310
Net income attributable to non-controlling interest in subsidiaries	23,000	32,134	43,054	54,296
Net income	413,652	182,359	397,834	444,606
Interest expense	60,819	53,345	112,344	102,834
Total income tax provision	106,837	56,462	106,153	139,383
Depletion, depreciation and amortization	315,144	302,602	607,848	584,493
Accretion of asset retirement obligations	2,352	1,767	4,620	3,494
Unrealized (gain) loss on derivatives	(85,457)	37,313	170,017	32,242
Non-cash stock-based compensation expense	6,099	4,572	10,617	8,460
Loss on debt extinguishment	—	—	15,587	—
Loss on asset sales	—	—	578	—
Other non-recurring (income) expense	(573)	(2,300)	4,225	(5,586)
Consolidated Adjusted EBITDA	818,873	636,120	1,429,823	1,309,926
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	(37,864)	(41,875)	(71,644)	(71,458)
Adjusted EBITDA attributable to Matador Resources Company shareholders	$ 781,009	$ 594,245	$ 1,358,179	$ 1,238,468

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Unaudited Adjusted EBITDA Reconciliation to Net Cash Provided by Operating Activities				
Net cash provided by operating activities	$ 937,128	$ 501,027	$ 1,407,674	$ 1,228,906
Net change in operating assets and liabilities	(174,549)	65,540	(80,855)	(53,845)
Interest expense, net of non-cash portion	57,289	49,672	105,276	95,498
Current income tax provision	226	23,089	226	46,070
Other non-cash and non-recurring income	(1,221)	(3,208)	(2,498)	(6,703)
Adjusted EBITDA attributable to non-controlling interest in subsidiaries	(37,864)	(41,875)	(71,644)	(71,458)
Adjusted EBITDA attributable to Matador Resources Company shareholders	$ 781,009	$ 594,245	$ 1,358,179	$ 1,238,468

Net income attributable to Matador shareholders increased $240.4 million for the three months ended June 30, 2026, as compared to the three months ended June 30, 2025. The increase in net income attributable to Matador shareholders primarily resulted from (i) higher realized oil prices, (ii) increased oil production, (iii) a $48.2 million increase in net sales of purchased natural gas and (iv) a $43.3 million decrease in net loss on realized and unrealized derivatives. These increases were partially offset by (i) a $50.4 million increase in the income tax provision, (ii) a $34.8 million increase in taxes other than income, (iii) a $16.1 million increase in midstream operating expenses, (iv) a $12.5 million increase in depletion, depreciation and amortization and (v) a $9.1 million increase in general and administrative expenses. See "—Results of Operations" for the three months ended June 30, 2026 as compared to the three months ended June 30, 2025 above for further discussion and analysis of these individual changes within net income.

Net income attributable to Matador shareholders decreased $35.5 million for the six months ended June 30, 2026, as compared to the six months ended June 30, 2025. The decrease in net income attributable to Matador shareholders primarily resulted from (i) a $234.4 million increase in net loss on realized and unrealized derivatives, (ii) a $28.6 million increase in taxes other than income, (iii) a $23.4 million increase in depletion, depreciation and amortization, (iv) a $19.5 million increase in midstream operating expenses, (v) a $15.6 million loss on debt extinguishment and (vi) a $9.5 million increase in interest expense. These decreases were partially offset by (i) higher realized oil prices, (ii) increased oil production, (iii) a $78.0 million increase in net sales of purchased natural gas and (iv) a $33.2 million decrease in the income tax provision. See "—Results of Operations" for the six months ended June 30, 2026, as compared to the six months ended June 30, 2025, above for further discussion and analysis of these individual changes within net income.

Adjusted EBITDA, a non-GAAP financial measure, increased $186.8 million for the three months ended June 30, 2026 compared to the three months ended June 30, 2025. This increase was primarily attributable to (i) higher realized oil prices, (ii) increased oil production and (iii) a $48.2 million increase in net sales of purchased natural gas. These increases were partially offset by (i) lower realized natural gas prices and increased natural gas production, (ii) a $79.4 million decrease in realized gain on derivatives, (iii) a $34.8 million increase in taxes other than income, (iv) a $16.1 million increase in midstream operating expenses and (v) a $9.1 million increase in general and administrative expenses.

Adjusted EBITDA, a non-GAAP financial measure, increased $119.7 million for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. This increase is primarily attributable to (i) higher realized oil prices, (ii) increased oil production and (iii) a $78.0 million increase in net sales of purchased natural gas. These increases were partially offset by (i) lower realized natural gas prices and increased natural gas production, (ii) a $96.6 million decrease in realized gain on derivatives, (iii) a $28.6 million increase in taxes other than income, (iv) a $19.5 million increase in midstream operating expenses and (v) a $14.4 million increase in general and administrative expenses.

Off-Balance Sheet Arrangements

From time to time, we enter into off-balance sheet arrangements and transactions that can give rise to material off-balance sheet obligations. As of June 30, 2026, the material off-balance sheet arrangements and transactions that we have entered into include (i) non-operated drilling commitments, (ii) firm gathering, transportation, processing, fractionation, sales and disposal commitments and (iii) contractual obligations for which the ultimate settlement amounts are not fixed and determinable, such as derivative contracts that are sensitive to future changes in commodity prices or interest rates, gathering, treating, transportation and disposal commitments on uncertain volumes of future throughput, open delivery commitments and indemnification obligations following certain divestitures. Other than the off-balance sheet arrangements described above, we have no transactions, arrangements or other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect our liquidity or availability of or requirements for capital resources. See "—Obligations and Commitments" below and Note 10, *Commitments and Contingencies*, in this Quarterly Report for more information regarding our off-balance sheet arrangements. Such information is incorporated herein by reference.

Obligations and Commitments

We had the following material contractual obligations and commitments at June 30, 2026:

	Payments Due by Period				
(In thousands)	Total	Less Than 1 Year	1 - 3 Years	3 - 5 Years	More Than 5 Years
Contractual Obligations					
Borrowings, including letters of credit[1]	$ 1,919,244	$ —	$ 992,844	$ 926,400	$ —
Senior unsecured notes[2]	2,400,000	—	—	—	2,400,000
Office leases	103,231	5,784	12,837	13,651	70,959
Non-operated drilling commitments[3]	47,706	47,706	—	—	—
Drilling rig contracts[4]	25,097	25,097	—	—	—
Asset retirement obligations[5]	159,074	3,883	9,892	1,889	143,410
Transportation, gathering, processing and disposal agreements with non-affiliates[6]	2,368,938	242,364	571,410	439,503	1,115,661
Transportation, gathering, processing and disposal agreements with San Mateo[7]	646,231	28,640	222,170	206,590	188,831
Midstream contracts[8]	85,797	71,631	14,166	—	—
Seismic data contracts	15,750	15,750	—	—	—
Total contractual cash obligations	$ 7,771,068	$ 440,855	$ 1,823,319	$ 1,588,033	$ 3,918,861

(1) The amounts included in the table above represent principal maturities only. At June 30, 2026, we had $939.0 million in borrowings outstanding under the Credit Agreement and approximately $53.8 million in outstanding letters of credit issued pursuant to the Credit Agreement. The outstanding borrowings under the Credit Agreement mature on March 22, 2029. At June 30, 2026, San Mateo had $911.0 million of borrowings outstanding under the San Mateo Credit Facility and approximately $15.4 million in outstanding letters of credit issued pursuant to the San Mateo Credit Facility. The outstanding borrowings under the San Mateo Credit Facility mature on November 26, 2029. Assuming the amounts outstanding and interest rates of 5.65% and 5.88%, respectively, for the Credit Agreement and the San Mateo Credit Facility at June 30, 2026, the interest expense for such facilities is expected to be approximately $53.7 million and $54.3 million, respectively, each year until maturity.

(2) The amounts included in the table above represent principal maturities only. Interest expense on the $900.0 million of outstanding 2032 Notes as of June 30, 2026 is expected to be approximately $58.5 million each year until maturity. Interest expense on the $750.0 million of outstanding 2033 Notes as of June 30, 2026 is expected to be approximately $46.9 million each year until maturity. Interest expense on the $750.0 million of outstanding 2034 Notes as of June 30, 2026 is expected to be approximately $45.0 million each year until maturity.

(3) At June 30, 2026, we had outstanding commitments to participate in the drilling and completion of various non-operated wells.

(4) We do not own or operate our own drilling rigs, but instead we enter into contracts with third parties for such drilling rigs.

(5) The amounts included in the table above represent discounted cash flow estimates for future asset retirement obligations at June 30, 2026.

(6) From time to time, we enter into agreements with third parties whereby we commit to deliver anticipated natural gas and oil production and produced water from certain portions of our acreage for transportation, gathering, processing, fractionation, sales and disposal. Certain of these agreements contain minimum volume commitments, including contracts related to firm transportation on Energy Transfer's Hugh Brinson Pipeline. If we do not meet the minimum volume commitments under these agreements, we would be required to pay certain deficiency fees. See Note 10, *Commitments and Contingencies*, in this Quarterly Report for more information about these contractual commitments.

(7) We dedicated to San Mateo our current and certain future leasehold interests in the Rustler Breaks asset area and the Wolf portion of the West Texas asset area and acreage in the southern portion of the Arrowhead asset area (the "Greater Stebbins Area") and Stateline asset area pursuant to 15-year, fixed-fee oil transportation, oil, natural gas and produced water gathering and produced water disposal agreements. In addition, we dedicated to San Mateo our current and certain future leasehold interests in the Rustler Breaks asset area and acreage in the Greater Stebbins Area and Stateline asset area pursuant to 15-year, fixed-fee natural gas processing agreements. We also dedicated to San Mateo certain of our current and future leasehold interests in the Ranger and Antelope Ridge asset areas pursuant to 15-year, fixed-fee natural gas gathering, compression, treating and processing agreements with San Mateo, whereby San Mateo will gather, compress, treat and process natural gas produced from our operated wells in northern Lea County, New Mexico. See Note 10, *Commitments and Contingencies*, in this Quarterly Report for more information about these contractual commitments.

(8) At June 30, 2026, we had outstanding commitments for capital expenditures to be utilized in San Mateo's operations.

General Outlook and Trends

Our business success and financial results are dependent on many factors beyond our control, such as economic, political and regulatory developments, as well as competition from other sources of energy. For example, the current administration and Congress have altered, and may continue to alter, our current regulatory framework and may impact our business and the oil and gas industry generally. Commodity price volatility, in particular, is a significant risk to our business, cash flows and results of operations. Commodity prices are affected by changes in market supply and demand, which are impacted by overall economic activity, ongoing military conflicts, including ongoing military conflicts between Russia and Ukraine and in the Middle East, political instability, particularly in China and in the Middle East, geopolitical tensions involving Iran (including the potential for stricter U.S. sanctions on Iranian oil exports, regional conflicts and potential disruptions to shipping routes in the Strait of Hormuz), the actions of Organization of Petroleum Exporting Countries, Russia and certain other oil-exporting countries, weather, pipeline capacity constraints, inventory storage levels, oil and natural gas price differentials and other factors.

The prices we receive for oil, natural gas and NGLs heavily influence our revenues, profitability, cash flow available for capital expenditures, the repayment of debt, the payment of cash dividends, if any, and the repurchase of common stock, if any, access to capital, borrowing capacity under our Credit Agreement and future rate of growth. Oil, natural gas and NGL prices are subject to wide fluctuations in response to relatively minor changes in supply and demand. Historically, the markets for oil, natural gas and NGLs have been volatile, and these markets will likely continue to be volatile in the future. Declines in oil, natural gas or NGL prices not only reduce our revenues, but could also reduce the amount of oil, natural gas and NGLs we can produce economically and, as a result, could have a material adverse effect on our financial condition, results of operations, cash flows and reserves and our ability to comply with the financial covenants under our Credit Agreement. See "Risk Factors—Risks Related to our Financial Condition—Our success is dependent on the prices of oil, natural gas and NGLs. Low oil, natural gas and NGL prices and the continued volatility in these prices may adversely affect our financial condition and our ability to meet our capital expenditure requirements and financial obligations" in the Annual Report.

Oil prices were higher in the second quarter of 2026, as compared to the second quarter of 2025. For the three months ended June 30, 2026, oil prices averaged $92.70 per Bbl, ranging from a high of $112.95 per Bbl in early April to a low of $69.23 per Bbl in late June, based upon the West Texas Intermediate ("WTI") oil futures contract price for the earliest delivery date. Oil prices averaged $63.68 per Bbl for the three months ended June 30, 2025. We realized a weighted average oil price of $98.16 per Bbl ($83.19 with realized losses from oil derivatives) for our oil production for the three months ended June 30, 2026, as compared to $64.34 per Bbl (with no realized gains or losses from oil derivatives) for our oil production for the three months ended June 30, 2025. Oil prices have remained volatile since June 30, 2026. At August 5, 2026, the WTI oil futures contract for the earliest delivery date had decreased from the average price for the second quarter of 2026 of $92.70 per Bbl, settling at $75.22 per Bbl.

Natural gas prices were lower in the second quarter of 2026, as compared to the second quarter of 2025. For the three months ended June 30, 2026, natural gas prices averaged $2.94 per MMBtu, ranging from a low of $2.52 per MMBtu in late April to a high of $3.34 per MMBtu in late June, based upon the NYMEX Henry Hub natural gas futures contract price for the earliest delivery date. Natural gas prices averaged $3.51 per MMBtu for the three months ended June 30, 2025. We report production volumes in two streams, oil and natural gas (which includes both dry gas and NGLs). We realized a weighted average natural gas price of $(0.79) per Mcf ($1.24 per Mcf including realized gains from natural gas derivatives) for our natural gas production (including revenues attributable to NGLs) for the three months ended June 30, 2026, as compared to $2.05 per Mcf ($2.20 per Mcf including realized gains from natural gas derivatives) for our natural gas production (including revenues attributable to NGLs) for the three months ended June 30, 2025. Certain volumes of our natural gas production are sold at prices established at the beginning of each month by the various markets where we sell our natural gas production, and certain volumes of our natural gas production are sold at daily market prices. At August 5, 2026, the NYMEX Henry Hub natural gas futures contract price for the earliest delivery date had decreased from the average price for the second quarter of 2026 of $2.94 per MMBtu, to $2.69 per MMBtu.

The prices we receive for oil and natural gas production often reflect a discount to the relevant benchmark prices, such as the WTI oil price or the NYMEX Henry Hub natural gas price. The difference between the benchmark price and the price we receive is called a differential. At June 30, 2026, most of our oil production from the Delaware Basin was sold based on prices established in Midland, Texas, and a significant portion of our natural gas production from the Delaware Basin was sold based on Houston Ship Channel pricing, while the remainder of our Delaware Basin natural gas production was sold primarily based on prices established at the Waha hub in far West Texas.

The Midland-Cushing (Oklahoma) oil price differential has been highly volatile in recent years. At August 5, 2026, this oil price differential was positive at approximately +$0.35 per Bbl. At August 5, 2026, we had no derivative contracts in place to mitigate our exposure to this Midland-Cushing (Oklahoma) oil price differential for 2026.

Certain volumes of our Delaware Basin natural gas production are exposed to the Waha-Henry Hub basis differential, which has also been highly volatile in recent years. In recent years, concerns about natural gas pipeline takeaway capacity out of the Delaware Basin began to increase and as a result, the Waha-Henry Hub basis differential began to widen. The Waha-Henry Hub basis differential averaged ($6.03) per MMBtu for the six months ended June 30, 2026. Between June 30, 2026 and August 5, 2026, this natural gas price differential narrowed to approximately ($0.82) per MMBtu. A significant portion of our Delaware Basin natural gas production, however, is sold at Houston Ship Channel pricing and is not exposed to Waha pricing. During 2023 and 2024, we typically realized a narrower differential to natural gas sold at the Waha hub despite higher transportation charges incurred to transport the natural gas to the Gulf Coast. At certain times, we may also sell a portion of our natural gas production into other markets to improve our realized natural gas pricing. Further, approximately 3% of our reported natural gas production for the six months ended June 30, 2026 was attributable to the Haynesville shale play, which is not exposed to Waha pricing. In addition, most of our natural gas volumes in the Delaware Basin are processed for NGLs, resulting in a further reduction in the reported natural gas volumes exposed to Waha pricing.

We secured 500,000 MMBtu per day of firm natural gas transportation on Energy Transfer's new Hugh Brinson pipeline, which began flowing natural gas during the second quarter of 2026 and which Energy Transfer expects to be fully in-service by the end of the third quarter of 2026. The Hugh Brinson pipeline will provide Matador access to Henry Hub markets along the Louisiana Gulf Coast and to other opportunities such as liquefied natural gas (LNG) plants and export terminals along this pipeline route that have historically experienced more favorable pricing to the Waha hub.

From time to time, we use derivative financial instruments to mitigate our exposure to commodity price risk associated with oil, natural gas and NGL prices. Even so, decisions as to whether, at what price and what production volumes to hedge are difficult and depend on market conditions and our forecast of future production and oil, natural gas and NGL prices, and we may not always employ the optimal hedging strategy. This, in turn, may affect the liquidity that can be accessed through the borrowing base under the Credit Agreement and through the capital markets. During the first six months of 2026, we recorded a net loss of $223.6 million related to our oil costless collars, resulting primarily from oil prices that were above the ceiling of certain of our oil costless collar contracts and the deferred call premiums on certain of our purchased oil call contracts. This loss was partially offset by a net gain of $136.7 million related to our natural gas costless collar and swap contracts, resulting primarily from natural gas prices that were below the floor of our natural gas costless collar contracts, natural gas prices that were below the fixed prices of certain of our natural gas swap contracts and natural gas basis differentials that were below the fixed prices of certain of our natural gas basis differential swap contracts.

We have at times, including in 2025 and 2026, experienced pipeline-related interruptions to our oil, natural gas or NGL production or produced water disposal. In certain recent periods, shortages of NGL fractionation capacity were experienced by certain operators in the Delaware Basin. Although we did not encounter such fractionation capacity problems, we can provide no assurances that such problems will not arise. If we do experience any material interruptions with produced water disposal, takeaway capacity or NGL fractionation, our oil and natural gas revenues, business, financial condition, results of operations and cash flows could be adversely affected. Should we experience future periods of negative pricing for natural gas, as we have experienced historically, including in 2025 and 2026, we may again temporarily shut in certain high gas-oil ratio wells and take other actions to mitigate the impact on our realized natural gas prices and results.

We have at times experienced inflation in the costs of certain oilfield services, including diesel, steel, labor, trucking, sand, personnel and completion costs, among others. Should oil prices increase, we may be subject to additional service cost inflation in future periods, which may increase our costs to drill, complete, equip and operate wells. In addition, supply chain disruptions, tariffs and trade restrictions and other inflationary pressures experienced in recent periods throughout the United States and global economy and in the oil and natural gas industry may limit our ability to procure the necessary products and services we need for drilling, completing and producing wells in a timely and cost-effective manner, which could result in reduced margins and delays to our operations and could, in turn, adversely affect our business, financial condition, results of operations and cash flows.

Like other oil and natural gas producing companies, our properties are subject to natural production declines. By their nature, our oil and natural gas wells will experience rapid initial production declines. We attempt to overcome these production declines by drilling to develop and identify additional reserves, by exploring for new sources of reserves and, at times, by acquisitions. During times of severe oil, natural gas and NGL price declines, however, drilling additional oil or natural gas wells may not be economic, and we may find it necessary to reduce capital expenditures and curtail drilling operations in order to preserve liquidity. A significant reduction in capital expenditures and drilling activities could materially impact our production volumes, revenues, reserves, cash flows and the availability under our Credit Agreement. See "Risk Factors—Risks Related to our Financial Condition—Our exploration, development, exploitation and midstream projects require substantial capital expenditures that may exceed our cash flows from operations and potential borrowings, and we may be unable to obtain needed capital on satisfactory terms, which could adversely affect our future growth" in the Annual Report.

We strive to focus our efforts on increasing oil and natural gas reserves and production while controlling costs at a level that is appropriate for long-term operations. Our ability to find and develop sufficient quantities of oil and natural gas reserves at economical costs is critical to our long-term success. Future finding and development costs are subject to changes in the costs of acquiring, drilling and completing our prospects.

Regulatory Matters

Our oil and natural gas exploration, development, production, midstream and related operations are subject to extensive federal, state and local laws, rules and regulations. Failure to comply with these laws, rules and regulations can result in substantial monetary penalties or delay or suspension of operations. The regulatory burden on the oil and natural gas industry increases our cost of doing business and affects our profitability. Because these laws, rules and regulations are frequently amended or reinterpreted and new laws, rules and regulations are proposed or promulgated, we are unable to predict the future cost or impact of complying with the laws, rules and regulations to which we are, or will become, subject. For more information about the Company's regulatory matters, see "Business—Regulation" and "Risk Factors—Risks Related to Laws and Regulations" in the Annual Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Except as set forth below, there have been no material changes to the sources and effects of our market risk since December 31, 2025, which are disclosed in Part II, Item 7A of the Annual Report and incorporated herein by reference.

Commodity price exposure. We are exposed to market risk as the prices of oil, natural gas and NGLs fluctuate as a result of changes in supply and demand and other factors. To partially reduce price risk caused by these market fluctuations, we have entered into derivative financial instruments in the past and expect to enter into derivative financial instruments in the future to cover a significant portion of our anticipated future production.

We typically use costless (or zero-cost) collars, three-way collars and/or swap contracts to manage risks related to changes in oil, natural gas and NGL prices. Costless collars provide us with downside price protection through the purchase of a put option that is financed through the sale of a call option. Because the call option proceeds are used to offset the cost of the put option, these arrangements are initially "costless" to us. Three-way costless collars also provide us with downside price protection through the purchase of a put option, but they also allow us to participate in price upside through the purchase of a call option. The purchase of both the put option and call option are financed through the sale of a call option. Because the proceeds from the call option sale are used to offset the cost of the purchased put and call options, these arrangements are also initially "costless" to us. In the case of a costless collar, the put option or options and the call option or options have different fixed price components. When the settlement price is below the price floor established by the collar, we receive from our counterparty an amount equal to the difference between the settlement price and the price floor multiplied by the contract oil, natural gas or NGL volume. When the settlement price is above the price ceiling established by the costless collar, we pay our counterparty an amount equal to the difference between the settlement price and the price ceiling multiplied by the contract oil, natural gas or NGL volume. In a swap contract, a floating price is exchanged for a fixed price over a specified period, providing downside price protection. At times we have also purchased calls to mitigate potential losses associated with our costless collar contracts in a rising oil price environment.

We record all derivative financial instruments at fair value, which is determined using purchase and sale information available for similarly traded securities. Additionally, we have considered the credit standing of the counterparties in determining the fair value of our derivative financial instruments.

At June 30, 2026, we had various costless collar contracts open and in place to mitigate our exposure to oil and natural gas price volatility, each with an established price floor and ceiling. At June 30, 2026, we had oil price call contracts open and in place to mitigate our exposure to oil price volatility with an established strike price. At June 30, 2026, we had natural gas swap and natural gas basis differential swap contracts open and in place to mitigate our exposure to natural gas price volatility, with a specific term (calculation period), notional quantity (volume hedged) and fixed price. We had no open contracts associated with NGL prices at June 30, 2026.

See Note 8, *Derivative Financial Instruments*, in this Quarterly Report for a summary of our open derivative financial instruments. Such information is incorporated herein by reference.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report, we evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of June 30, 2026 to ensure that (i) information required to be disclosed in the reports it files and submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) information required to be disclosed under the Exchange Act is accumulated and communicated to the Company's management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

During the three months ended June 30, 2026, there were no changes in our internal controls that have materially affected or are reasonably likely to have a material effect on our internal control over financial reporting.

Part II — OTHER INFORMATION

Item 1. Legal Proceedings

On July 22, 2025, the New Mexico Environment Department ("NMED") issued a Notice of Violation to San Mateo alleging possible violations related to excess air emissions from San Mateo's Black River cryogenic natural gas processing plant in Eddy County, New Mexico. San Mateo and the NMED are in settlement discussions with respect to this matter, and San Mateo expects that the settlement amount will be greater than $300,000 and less than $1,000,000. Accordingly, the Company does not have an expectation of material loss.

We are party to several legal proceedings encountered in the ordinary course of business. While the ultimate outcome and impact on us cannot be predicted with certainty, in the opinion of management, it is remote that these legal proceedings will have a material adverse impact on our financial condition, results of operations or cash flows.

Except as set forth above, during the three months ended June 30, 2026, there were no material changes regarding the legal proceedings we have disclosed in "Item 3. Legal Proceedings" in the Annual Report.

Item 1A. Risk Factors

We are subject to various risks and uncertainties in the course of our business. For a discussion of such risks and uncertainties, please see "Item 1A. Risk Factors" in the Annual Report. Except as set forth below, there have been no material changes to the risk factors we have disclosed in the Annual Report.

The consummation of the Paloma Acquisition and the Ridge Runner Acquisition is subject to a number of conditions that may not be satisfied or completed on a timely basis or at all. Accordingly, there can be no assurance as to when or if either or both of the Paloma Acquisition and the Ridge Runner Acquisition will be completed, and the failure to complete either the Paloma Acquisition or the Ridge Runner Acquisition could have a material and adverse effect on our business, financial condition, results of operations and cash flows.

Although we expect to complete the Paloma Acquisition and the Ridge Runner Acquisition in the fourth quarter of 2026, there can be no assurances as to the exact timing of the closings or that either or both of these acquisitions will be completed at all. The consummation of these acquisitions is subject to the satisfaction or waiver of a number of conditions contained in the related purchase agreements. Such conditions, some of which are beyond our control, may not be satisfied or waived in a timely manner or at all and therefore make the completion and timing of the Paloma Acquisition and the Ridge Runner Acquisition uncertain. In addition, the purchase agreements contain certain termination rights for the parties, which if exercised will also result in the applicable acquisition not being consummated. Any such termination or any failure to otherwise complete the Paloma Acquisition or the Ridge Runner Acquisition could result in various consequences, including, among others: our business being adversely impacted by the failure to pursue other beneficial opportunities due to the time and resources committed by our management to the Paloma Acquisition and the Ridge Runner Acquisition, without realizing any of the benefits of completing such acquisitions; being required to pay our legal, accounting and other expenses relating to the Paloma Acquisition and the Ridge Runner Acquisition; the market price of our common stock being adversely impacted to the extent that the current market price reflects a market assumption that the Paloma Acquisition and the Ridge Runner Acquisition will be completed; and negative reactions from the financial markets and customers that may occur if the anticipated benefits of the Paloma Acquisition or the Ridge Runner Acquisition are not realized. Such consequences could materially and adversely affect our business, financial condition, results of operations and cash flows.

Even if the Paloma Acquisition and the Ridge Runner Acquisition are completed, we may be unable to successfully integrate the acquisitions into our business or achieve the anticipated benefits of the acquisitions.

The success of the Paloma Acquisition and the Ridge Runner Acquisition will depend, in part, on our ability to realize the anticipated benefits and cost savings from integrating the assets and operations of these acquisitions into our business, and there can be no assurance that we will be able to successfully integrate or otherwise realize the anticipated benefits of the Paloma Acquisition or the Ridge Runner Acquisition. Difficulties in integrating these acquisitions into our company and our ability to manage the combined company may result in us performing differently than expected, in operational challenges or in the delay or failure to realize anticipated expense-related efficiencies and could have a material adverse effect on our business, financial condition, results of operations and cash flows. Potential difficulties that may be encountered in the integration process include, among others:

- the inability to successfully integrate the acquisitions operationally, in a manner that permits us to achieve the full revenue, expected cash flows and cost savings anticipated from the acquisitions;
- not realizing anticipated operating synergies; and
- potential unknown liabilities and unforeseen expenses, delays or regulatory conditions associated with the acquisitions.

Item 2. Repurchase of Equity by the Company or Affiliates

The following table contains information about our acquisition of equity securities during the quarter ended June 30, 2026:

Period	Total Number of Shares Purchased[1][2]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs[2]	Maximum Number (or Approximate Dollar Value in thousands) of Shares that May Yet Be Purchased under the Plans or Programs[2]
April 1, 2026 to April 30, 2026	110	$ 59.76	—	$ 343,443
May 1, 2026 to May 31, 2026	19,050	$ 63.40	—	$ 343,443
June 1, 2026 to June 30, 2026	225,666	$ 49.59	225,000	$ 332,282
Total	244,826	$ 50.67	225,000	

(1) During the second quarter of 2026, the Company re-acquired 19,826 shares of common stock from certain employees in order to satisfy the employees' tax liability in connection with the vesting of restricted stock.

(2) In April 2025, the Board authorized the Share Repurchase Program covering up to $400.0 million of common stock. During the second quarter of 2026, we repurchased 225,000 shares of our common stock under the Share Repurchase Program at a weighted average price of $49.59 per common share for a total cost of $11.2 million, excluding accrued excise tax of $0.1 million.

Item 5. Other Information

Insider Trading Plans

During the three months ended June 30, 2026, no director or officer (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Disclosure Pursuant to Item 5.02 of Form 8-K – Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On August 3, 2026, Brian J. Willey, Executive Vice President – Midstream, informed the Company of his decision to resign from his roles at the Company and San Mateo, effective as of September 2, 2026. Aspects of Mr. Willey's role, including Mr. Willey's leadership role at San Mateo, will be assumed primarily by Glenn W. Stetson, Executive Vice President and Chief Operating Officer of the Company, and Sean T. O'Grady, Senior Vice President and Chief Operating Officer of San Mateo. Mr. Willey's resignation is not related to any disagreement with the Company on any matter relating to the Company, including its strategic priorities for San Mateo.

Item 6. Exhibits

Exhibit Number	Description
2.1*	Securities Purchase Agreement, dated July 22, 2026, by and among MRC Ranger, LLC, MRC Energy Company (solely for the limited purposes stated therein), Paloma Permian Holdings, LLC, Paloma Permian Intermediate, LLC and Paloma Permian, LLC (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed on July 24, 2026).
3.1	Amended and Restated Certificate of Formation of Matador Resources Company (incorporated by reference to Exhibit 3.2 to the Quarterly Report on Form 10-Q for the quarter ended June 30, 2017).
3.2	Certificate of Amendment to the Amended and Restated Certificate of Formation of Matador Resources Company dated April 2, 2015 (incorporated by reference to Exhibit 3.3 to the Quarterly Report on Form 10-Q for the quarter ended June 30, 2017).
3.3	Certificate of Amendment to the Amended and Restated Certificate of Formation of Matador Resources Company effective June 2, 2017 (incorporated by reference to Exhibit 3.4 to the Quarterly Report on Form 10-Q for the quarter ended June 30, 2017).
3.4	Amended and Restated Bylaws of Matador Resources Company, as amended (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed on February 22, 2018).
10.1	Eighth Amendment to Fourth Amended and Restated Credit Agreement, dated as of June 10, 2026, by and among MRC Energy Company, as Borrower, the Lenders party thereto and PNC Bank, National Association, as Administrative Agent for the Lenders (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on June 16, 2026).
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
101	The following financial information from Matador Resources Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, formatted in Inline XBRL (Inline eXtensible Business Reporting Language): (i) the Condensed Consolidated Balance Sheets - Unaudited, (ii) the Condensed Consolidated Statements of Operations - Unaudited, (iii) the Condensed Consolidated Statements of Changes in Shareholders' Equity - Unaudited, (iv) the Condensed Consolidated Statements of Cash Flows - Unaudited and (v) the Notes to Condensed Consolidated Financial Statements - Unaudited (submitted electronically herewith).
104	Cover Page Interactive Data File, formatted in Inline XBRL (included as Exhibit 101).

* This filing excludes certain schedules and exhibits pursuant to Item 601(a)(5) of Regulation S-K, which the Company agrees to furnish supplementally to the SEC upon request; provided, however, that the Company may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any schedules or exhibits so furnished.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MATADOR RESOURCES COMPANY

Date: August 7, 2026	By:	/s/ Joseph Wm. Foran
		Joseph Wm. Foran
		Chairman and Chief Executive Officer
Date: August 7, 2026	By:	/s/ Christopher P. Calvert
		Christopher P. Calvert
		Executive Vice President and Chief Financial Officer