

San Mateo Midstream, LLC Announces Execution of Natural Gas Gathering and Processing Agreement

October 16, 2018

DALLAS, Texas – October 16, 2018 – San Mateo Midstream, LLC (“San Mateo”) today announced that its wholly-owned subsidiary, DLK Black River Midstream, LLC (“DLK Black River”), has entered into a long-term agreement with a producer in Eddy County, New Mexico relating to the gathering and processing of such producer’s natural gas production. As a result of this agreement, along with prior natural gas gathering and processing agreements entered into by San Mateo’s other customers, San Mateo has now entered into contracts to provide firm gathering and processing services for over 200 million cubic feet of natural gas per day, or over 80% of the designed inlet capacity of 260 million cubic feet of natural gas per day, at its Black River cryogenic natural gas processing plant (the “Black River Processing Plant”) in Eddy County, New Mexico.

In March 2018, San Mateo completed a natural gas liquids (“NGL”) pipeline connection at the tailgate of the Black River Processing Plant to the NGL pipeline owned by EPIC Y-Grade Pipeline, LP. The NGL connection ensures San Mateo customers firm NGL takeaway out of the Delaware Basin and firm fractionation for those NGL volumes further downstream.

Matt Spicer, Senior Vice President and General Manager of San Mateo, said, “This contract, and others we have entered into in 2018, have significantly diversified San Mateo’s customer base as we continue to provide first class midstream services to producers in the area. We pride ourselves on generating value for our customers by providing services across all three production streams—oil, natural gas and salt water—and look forward to continuing to be a full-service midstream solution for producers in the northern Delaware Basin.”

This is the second announcement in 2018 of a significant customer addition by San Mateo. In June 2018, San Mateo announced that it had entered into a long-term agreement with a significant producer in Eddy County, New Mexico relating to the gathering and disposal of such producer’s salt water. That agreement included the dedication of over 65 wells, which are located within five miles of San Mateo’s existing salt water gathering system in Eddy County, New Mexico. In addition, San Mateo completed its fourth and fifth commercial salt water disposal wells in Eddy County, New Mexico during the third quarter of 2018 and is presently evaluating a sixth and seventh salt water disposal well. San Mateo currently has total salt water disposal capacity of approximately 225,000 barrels per day in Eddy County, New Mexico and Loving County, Texas. San Mateo expects to dispose of over 200,000 barrels per day of salt water as early as the first quarter of 2019, which includes expected volumes from Matador Resources Company and San Mateo’s other contracted producers in Eddy County, New Mexico and Loving County, Texas.

Please direct any commercial inquiries about San Mateo's natural gas gathering and processing services provided in Eddy County, New Mexico or Loving County, Texas or San Mateo's other services, including salt water gathering and disposal services and oil gathering, transportation and blending services, to:

Corey Lothamer, Vice President of Business Development, at (972) 371-5203 or info@sanmateomidstream.com.

About San Mateo Midstream, LLC

San Mateo Midstream, LLC is a strategic joint venture formed in February 2017 by a subsidiary of Matador Resources Company (NYSE: MTDR) and a subsidiary of Five Point Energy LLC. San Mateo provides an all-inclusive approach to midstream services for the three main product streams produced by oil and natural gas activities, including salt water gathering and disposal services, natural gas gathering, compression, treating and processing services, and oil gathering, transportation and blending services. San Mateo owns and operates oil, natural gas and water gathering and transportation systems in Eddy County, New Mexico and Loving County, Texas, the Black River Processing Plant in Eddy County, New Mexico with a designed inlet capacity of 260 million cubic feet of natural gas per day and eight commercial salt water disposal wells in Eddy County, New Mexico and Loving County, Texas. San Mateo serves as one of the primary midstream solutions for multiple customers across the northern Delaware Basin, including its anchor customer, Matador Resources Company.

For more information, visit San Mateo Midstream, LLC at www.sanmateomidstream.com.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. "Forward-looking statements" are statements related to future, not past, events. Forward-looking statements are based on current expectations and include any statement that does not directly relate to a current or historical fact. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "could," "believe," "would," "anticipate," "intend," "estimate," "expect," "may," "should," "continue," "plan," "predict," "potential," "project," "hypothetical," "forecasted" and similar expressions that are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Such forward-looking statements include, but are not limited to, statements about guidance, projected or forecasted financial and operating results, results in certain basins, objectives, project timing, expectations and intentions and other statements that are not historical facts. Actual results and future events could differ materially from those anticipated in such statements, and such forward-looking statements may not prove to be accurate. These forward-looking statements involve certain risks and uncertainties, including, but not limited to, the following risks related to financial and operational performance: general economic conditions; San Mateo's ability to execute its business plan; the timing and operating results of the buildout of San Mateo's oil, natural gas and water transportation and gathering systems and other facilities, changes in oil, natural gas and natural gas liquids prices and the demand for oil, natural gas and natural gas liquids; the occurrence and timing of actions, including decisions and the issuance of regulations and

permits, by state and federal regulatory authorities; costs of operations; availability of sufficient capital to execute its business plan; weather and environmental conditions; and other important factors which could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. San Mateo undertakes no obligation to update these forward-looking statements to reflect events or circumstances occurring after the date of this press release, except as required by law. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement.

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