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## Company Profile

- Ticker Symbol: MTDR (NYSE)
- Industry: Gas and oil
- Sector: Basic materials
- Revenue (TTM): 2.9 Billion
- Founded: 2003 IPO 2013
- 280 employees



**MATADOR RESOURCES COMPANY TOTALS**  
 Production: ~69,600 BOE/d (1)  
 Proved Reserves: 215.3 MMBOE (2)  
 Net Acreage: ~183,200 acres (3)  
 Locations: 6,146 gross / 2,829 net (3)

**NORTHWEST LOUISIANA AND EAST TEXAS**  
 Production: ~8,800 BOE/d (1)  
 Proved Reserves: 11.6 MMBOE (2)  
 Net Acreage: ~21,900 acres (3)  
 Locations: 466 gross / 149 net (3)

**MATADOR HEADQUARTERS**  
DALLAS, TEXAS

**SOUTHEAST NEW MEXICO AND WEST TEXAS**  
 Production: ~56,400 BOE/d (1)  
 Proved Reserves: 191.5 MMBOE (2)  
 Net Acreage: ~132,700 acres (3)  
 Locations: 5,442 gross / 2,472 net (3)

**SOUTH TEXAS**  
 Production: ~4,400 BOE/d (1)  
 Proved Reserves: 12.2 MMBOE (2)  
 Net Acreage: ~28,600 acres (3)  
 Locations: 238 gross / 207 net (3)

**Matador**  
RESOURCES COMPANY  
AREAS OF ACTIVITY

(1) For the three months ended September 30, 2019  
 (2) As of December 31, 2018  
 (3) As of June 30, 2019

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**Fully-assembled rig moving between pads**




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## Company Highlights

- First midsize upstream oil co. to pay a dividend .6% payout at 3%
- Advanced from Russell 2000 to 600 small cap to S&P 400 midcap
- Owned by 882 funds. 56% mutuals, 31% institutional investors and 17% individuals.
- Paid down debt, to get S&P Credit rating of 'BB-'. Now best financial strength mid cap oil stock.
- Top 7 USA oil producers, #14 in world by profit margin. 56%, avg 41% (Shell #1, Saudis #15).
- Outperformed. Oil production up 15%. Natural gas by 19%.

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## Company highlights

- MOTTO: profitable growth at a measured pace
- 110,000 million barrels per day. 15% increase (42 gallons to a barrel)
- 57% of production is oil. 43% is natural gas.
- 42% of wells developed. 58% wells are undeveloped.
- Number of drilling sites 738.

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### Good stewardship

- 65% of production to pipelines not trucks or rail, lowers emissions and road traffic
- Lower greenhouse gases by 19% .Methene by 18% and reduced flaring by 38%
- No lawsuits or accidents. 3 hydrocarbon spills in 2020. Zero for '21 and '22. A spill is anything greater than 5 barrels.
- Diversity and Inclusion. 1 minority and 2 female directors out of 9.
- Seasonally stop work for prairie chicken, sand dune lizard and Texas Mussel reproductive cycles.

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### Peer Competitors

- PDC Energy (PDCE)
- SM Energy(SM)
- Comstock (CRK)
- Marathon (MRO)
- Magnolia (MGY)

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## Value Line Highlights and Projections

- Safety 4            Timeliness 3
- Technical 2        Financial Strength B+
- Petroleum group rated 34/93 industry groups
- Earnings up more than 85% YoY
- Operating margins over 75%

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## Strengths

- Strong balance sheet, consistent growth and sufficient resources
- Optimal geographic locations, 738 sites in three states
- Strategic partnerships with San Mateo and Pronto
- 3D modeling, walking rigs, smaller footprint
- Faster, cheaper safer drilling.
- Strong reputation small to midcap

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## Weaknesses

- Environmental and social challenges
- Governmental regulations and taxation
- Shortages of technical, financial and operational resources
- Changing oil and gas prices
- Increase in competition, 281 oil companies, OPEC+
- Vulnerable to cyclical downturns in energy market

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## Opportunities

- Global energy crisis
- Supply interruptions (Europe)
- Burgeoning growth in the energy sector
- Growing demand for natural gas

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## Threats

- Economic uncertainty / recession
- Slowdowns in demand
- Supply chain constraints
- Depletion of oil and gas reserves, storage or capture space
- Bad publicity, lawsuits, oil or gas leaks
- High competition
- Political, climate change, war

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## Stock Selection Guide (SSG)




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## Sales Growth Forecast %

- 25.2% 5-yr Historical (SSG)
- 37.2% 2-year Analysts Consensus Estimates
- 20.8% BI members sentiment (6 SSGs)
- 44.5% Finviz

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## Earnings Per Share (EPS) Growth Forecast %

- 24.0% 2-year Analysts Consensus Estimates
- 24.8% BI members sentiment (6 SSGs)
- 41.1% 5-yr Historical (SSG)
- 10.4% Finviz

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## Estimated High P/E

- 19.5 Analysts Consensus Estimates (ACE)
- 18.5 BI members sentiment (6 SSGs)
- 6.7 Finviz
- 15.1 5-year average P/E (SSG)

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## Estimated Low P/E

- 6.7 Finviz
- 7.2 Current P/E
- 10.2 5-year average low P/E (SSG)
- 18.5 BI members sentiment (6 SSGs)
- 19.5 Analysts Consensus Estimates (ACE)

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## Low Price Forecast

- \$xx.xx Audience selection
- \$11.90 Average 5-year low price
- \$33.50 Current 52 week low & Finviz
- \$30.72 BI members sentiment (6 SSGs)
- \$ 1.10 Recent severe market low

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## After this study, what are your thoughts?

- I already own this company
- I'm considering adding MTDR to my portfolio
- MTDR doesn't fit my portfolio
- I will put MTDR on my watch list

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## Questions or Comments?

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