

## **San Mateo Midstream, LLC Announces Completion and Start-Up of Expansion of Black River Processing Plant in Eddy County, NM**

April 25, 2018

DALLAS, Texas, April 19, 2018 – San Mateo Midstream, LLC (“San Mateo” or the “Company”) today announced the completion and successful start-up of the expansion of the Black River cryogenic natural gas processing plant (the “Black River Processing Plant”) in Eddy County, New Mexico. The expansion of the Black River Processing Plant adds an incremental designed inlet capacity of 200 million cubic feet of natural gas per day to the previously existing designed inlet capacity of 60 million cubic feet of natural gas per day for a total designed inlet capacity of 260 million cubic feet of natural gas per day. The expanded Black River Processing Plant will support San Mateo’s anchor tenant, Matador Resources Company (NYSE: MTDR), and offer processing opportunities for other producers’ development efforts in the Delaware Basin. San Mateo has also completed a natural gas liquids (“NGL”) pipeline connection at the Black River Processing Plant to the NGL pipeline owned by EPIC Y Grade Pipeline LP. This NGL connection provides several significant benefits to San Mateo’s customers as compared to trucking the NGLs out of the area. San Mateo’s customers receive (i) firm NGL takeaway out of the Delaware Basin, (ii) increased NGL recoveries, (iii) improved pricing realizations through lower transportation and fractionation (T&F) costs and (iv) increased optionality through the ability to operate the Black River Processing Plant in ethane recovery mode, if desired. In addition, San Mateo expects the NGL connection to lower operating costs at the Black River Processing Plant and provide operational advantages as transportation by pipeline rather than by truck reduces operational risks, such as weather-related interruptions or insufficient trucking capacity.

Matt Spicer, Vice President and General Manager of San Mateo, said, “We are excited to announce that the expansion of the Black River Processing Plant was completed both on time and on budget. The expanded Black River Processing Plant provides producers in the area takeaway and processing for their natural gas production. Along with the addition of the NGL connection, the Black River Processing Plant and associated residue gas pipeline provides producers reliable transportation for natural gas and NGLs out of the basin. As a result of the strong execution of the entire San Mateo team, we believe we have generated significant value for our stakeholders and an attractive natural gas processing option for producers in the area.”

Please direct any commercial inquiries about the Black River Processing Plant and related gathering and processing services provided in Eddy County, New Mexico 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](mailto: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 six 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](http://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; the Company’s ability to execute its business plan; the timing and operating results of the buildout of the Company’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. The Company undertakes no obligation and does not intend 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.

**Contact Information**

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