

Apache

02.25.2016

FOURTH-QUARTER 2015

EARNINGS SUPPLEMENT

FORWARD-LOOKING STATEMENTS

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2015 HIGHLIGHTS

2015 HIGHLIGHTS

- ▶ Exceeded the top end of 2015 pro forma production guidance
 - ▶ International and Offshore 176 Mboe/d; guided 172 to 174 Mboe/d
 - ▶ North America Onshore 309 Mboe/d; guided 307 to 309 Mboe/d
- ▶ Reduced average North America Onshore drill and completed costs 35%
- ▶ Right-sized our cost structure, decreasing gross overhead – cash costs more than 30% from 4Q'14 to 4Q'15
- ▶ Realized significant operating cost savings⁽¹⁾
 - ▶ Reduced LOE \$/boe by 10% YoY
 - ▶ Reduced LOE \$/boe by 4% 4Q'14 to 4Q'15
- ▶ Divested non-core assets and received proceeds exceeding \$6 billion
- ▶ Reduced net debt by \$3.2 billion

1. Decrease in LOE expenses adjusted for production volumes impacted by asset impairment and write-downs in Egypt totaled 38,280 Boe/d for the fourth-quarter 2015 and 9,649 Boe/d for the full-year 2015. According to GAAP measures, LOE per Boe increased 3% for the fourth-quarter and decreased 9% for the full year of 2015.

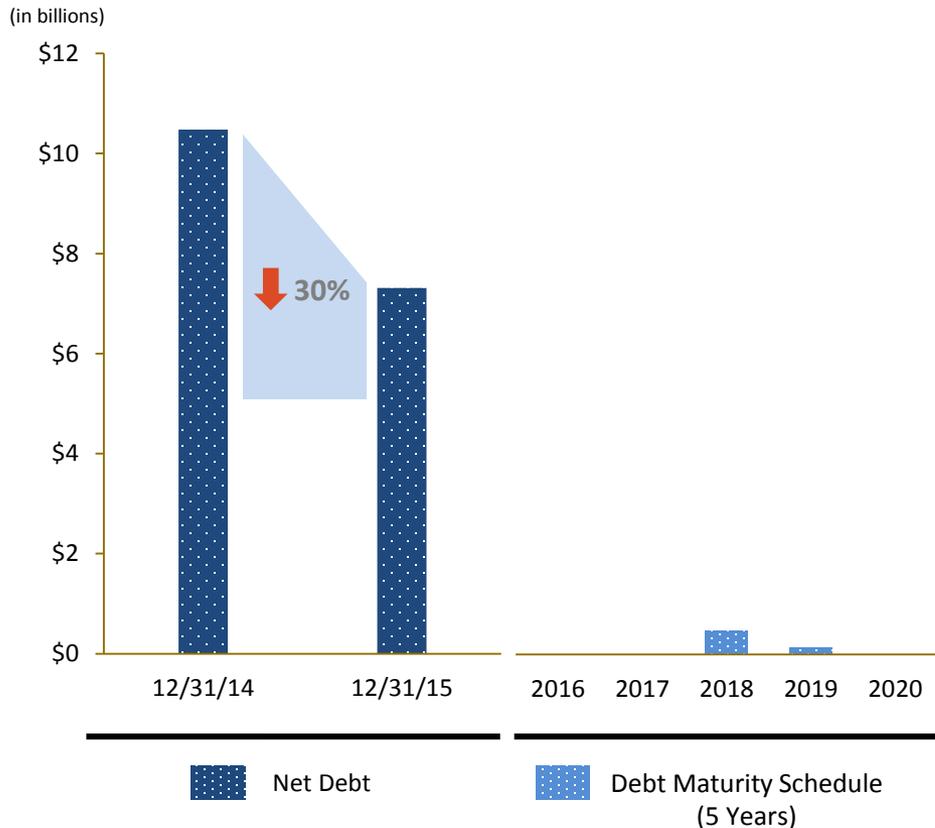
2015 ASSET SALES: EXCEEDED \$6 BILLION

Assets Divested	Proceeds (\$MM)
Wheatstone LNG Project	\$2,800
Australia E&P Assets	\$1,900
Kitimat LNG	\$854
Yara Pilbara Fertilizer Plant	\$391
Other noncore assets	\$268



\$6,213

FY 2015 BALANCE SHEET IMPROVEMENTS



- ▶ \$3.2 billion reduction in net debt
 - ▶ Eliminated \$900 million of 2017/2018 maturities
- ▶ Only \$700 million of debt maturing through 2020
- ▶ \$3.5 billion of liquidity from undrawn revolver – extended to June 2020

1. Cash at year-end 2014 and year-end 2015 was \$769 million and \$1,467 million, respectively.

FOURTH-QUARTER FINANCIAL SUMMARY

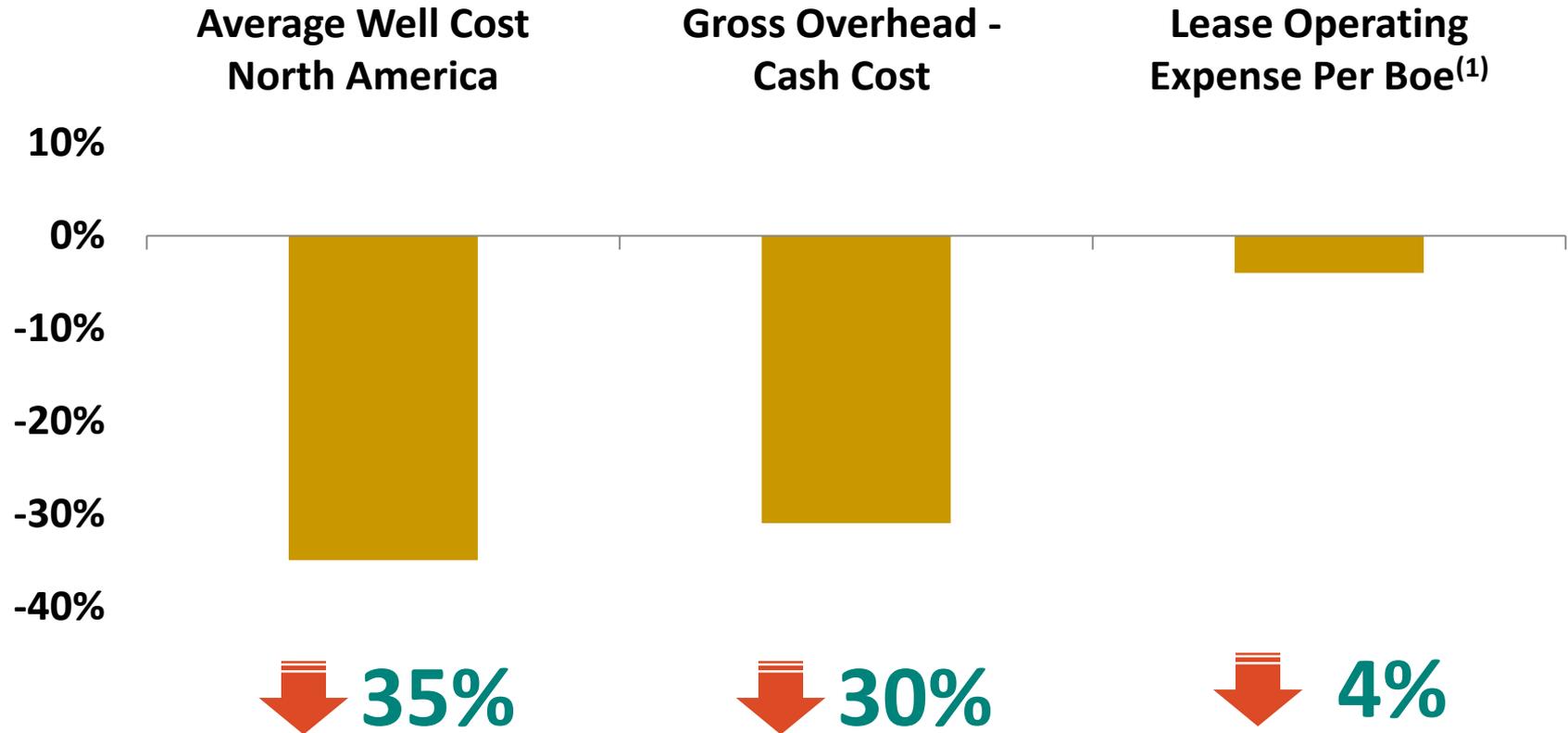
FOURTH-QUARTER FINANCIAL SUMMARY

▶ Pro Forma Production⁽¹⁾	489 BOE/D	0% YoY
▶ Adjusted EBITDA⁽¹⁾	\$781 million	↓ 59% YoY
▶ Cash From Operations⁽¹⁾ (Before Changes in Current Assets and Liabilities)	\$749 million	↓ 64% YoY
▶ Adjusted Earnings Per Share⁽¹⁾	(\$0.06)	↓ 107% YoY
▶ Oil and Gas Capital Investment⁽²⁾	\$674 million	↓ 72% YoY

(1) For a reconciliation to the most directly comparable GAAP financial measure please refer to our fourth-quarter 2015 earnings release.

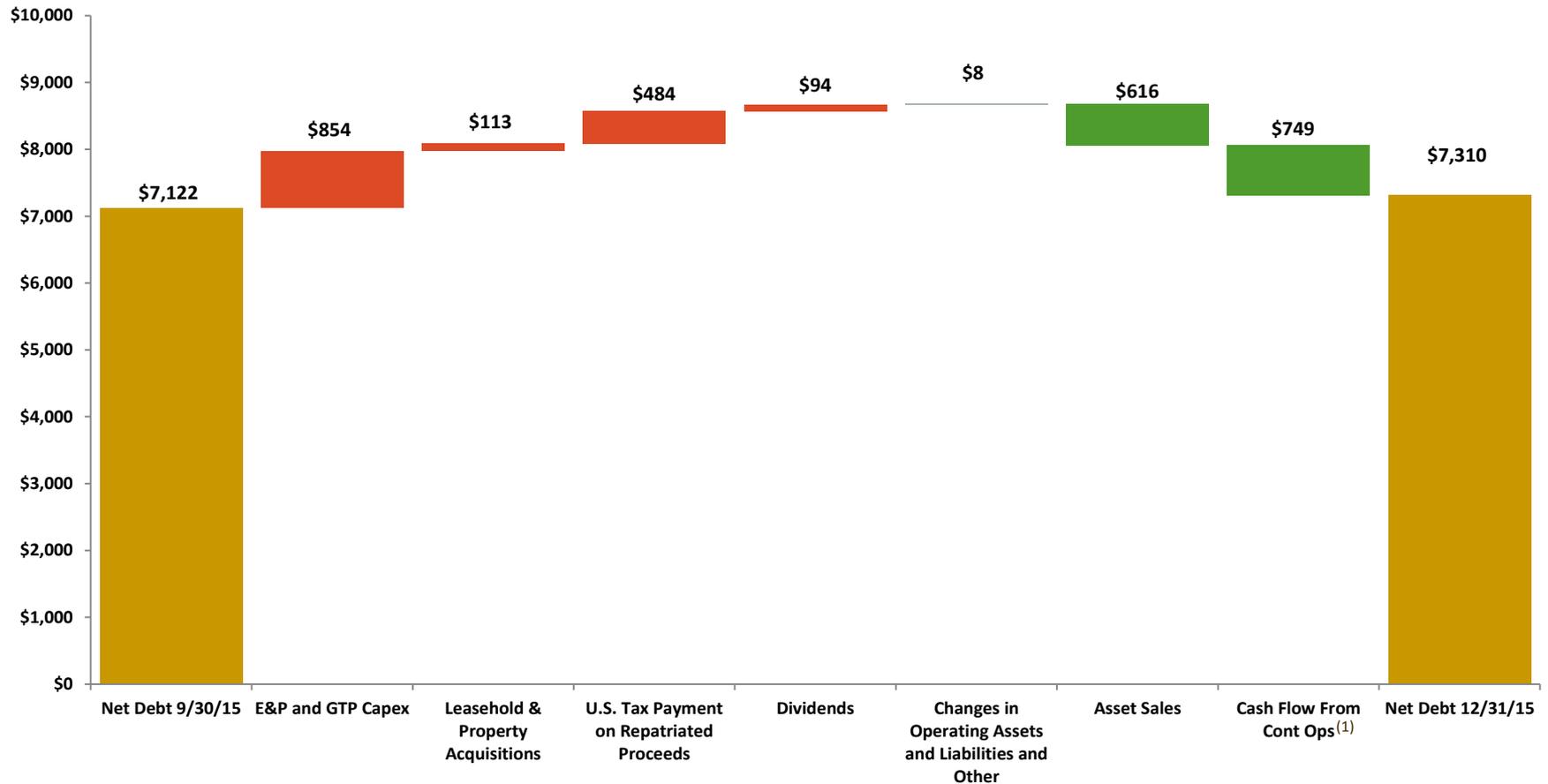
(2) Excludes capital associated with noncontrolling interest in Egypt, leasehold and property acquisitions, capitalized interest and LNG assets.

QUARTERLY COST DECREASES – 4Q'14 TO 4Q'15



1. Decrease in LOE expenses adjusted for production volumes impacted by asset impairments and write-downs in Egypt totaling 38,280 Boe/d for the fourth-quarter 2015 and 9,649 Boe/d for the full-year 2015. According to GAAP measures, LOE per Boe increased 3% for the fourth-quarter and decreased 9% for the full year of 2015.

4Q 2015 DEBT RECONCILIATION



(1) For a reconciliation to the most directly comparable GAAP financial measure please refer to our fourth-quarter 2015 earnings release.

OIL AND GAS CAPITAL INVESTMENT

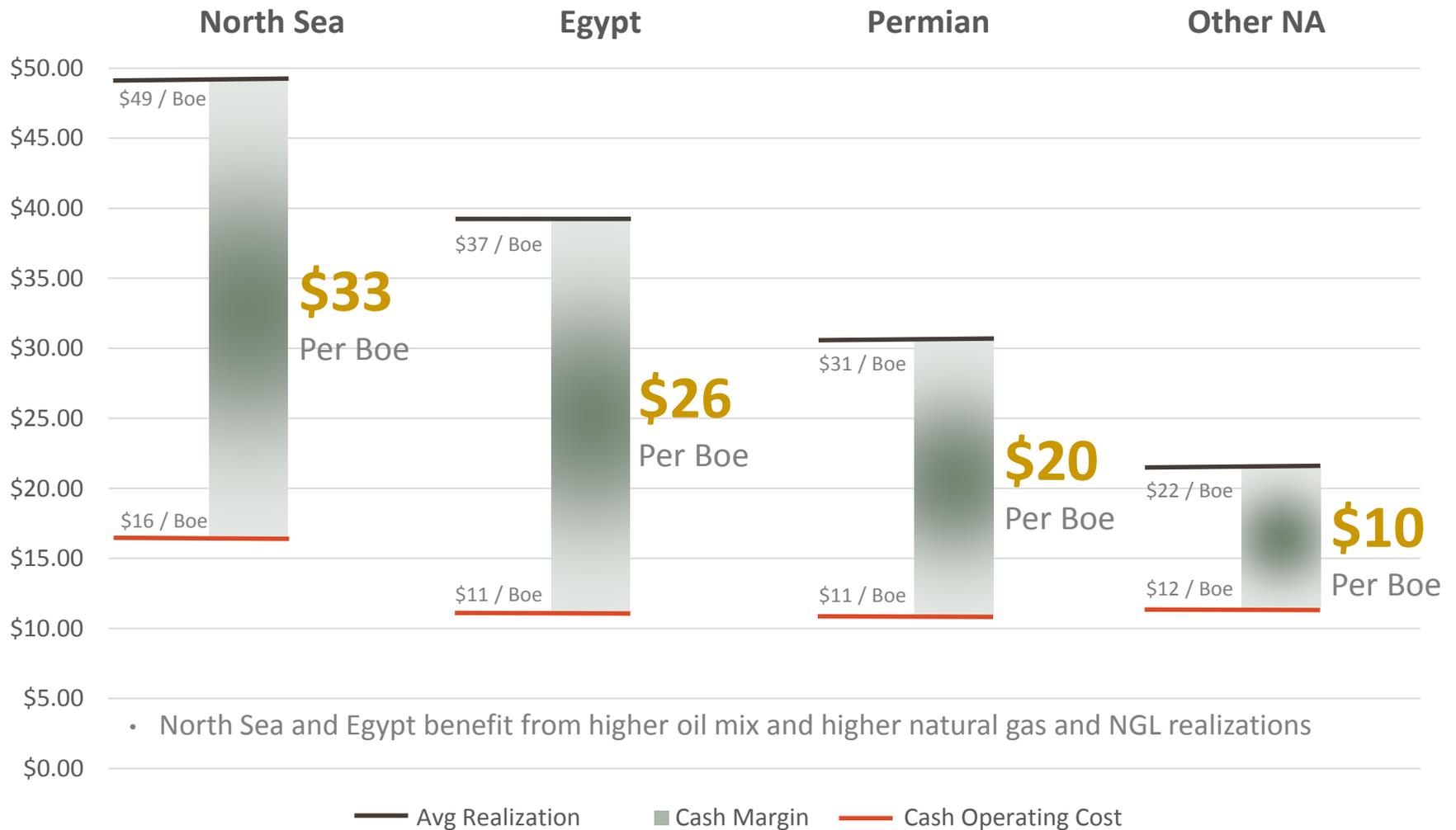
	<u>4Q15 ⁽¹⁾</u>	<u>YTD 2015 ⁽¹⁾</u>
E&P and GTP Investment:		
Permian	\$ 347	\$ 1,433
MidCon / Gulf Coast	59	486
Canada	33	205
N.A. Onshore	439	2,124
Gulf of Mexico	(19)	67
Other	1	(33)
North America	421	2,158
Egypt (Apache's interest only) ⁽²⁾	143	577
Australia	-	93
North Sea	110	720
Other	-	29
	<u>\$ 674</u>	<u>\$ 3,577</u>
Leasehold and Property Acquisitions:		
North America	\$ 96	\$ 345
International ⁽²⁾	17	20
	<u>\$ 113</u>	<u>\$ 365</u>

(1) Fourth quarter and YTD 2015 adjustments to total Costs Incurred and GTP Capital Investments:

- o Includes capitalized G&A expense of \$64 million and \$297 million, respectively.
- o Excludes capitalized interest of \$54 million and \$227 million, respectively.
- o Excludes YTD capital associated with divested LNG assets and associated operations of \$279 million.

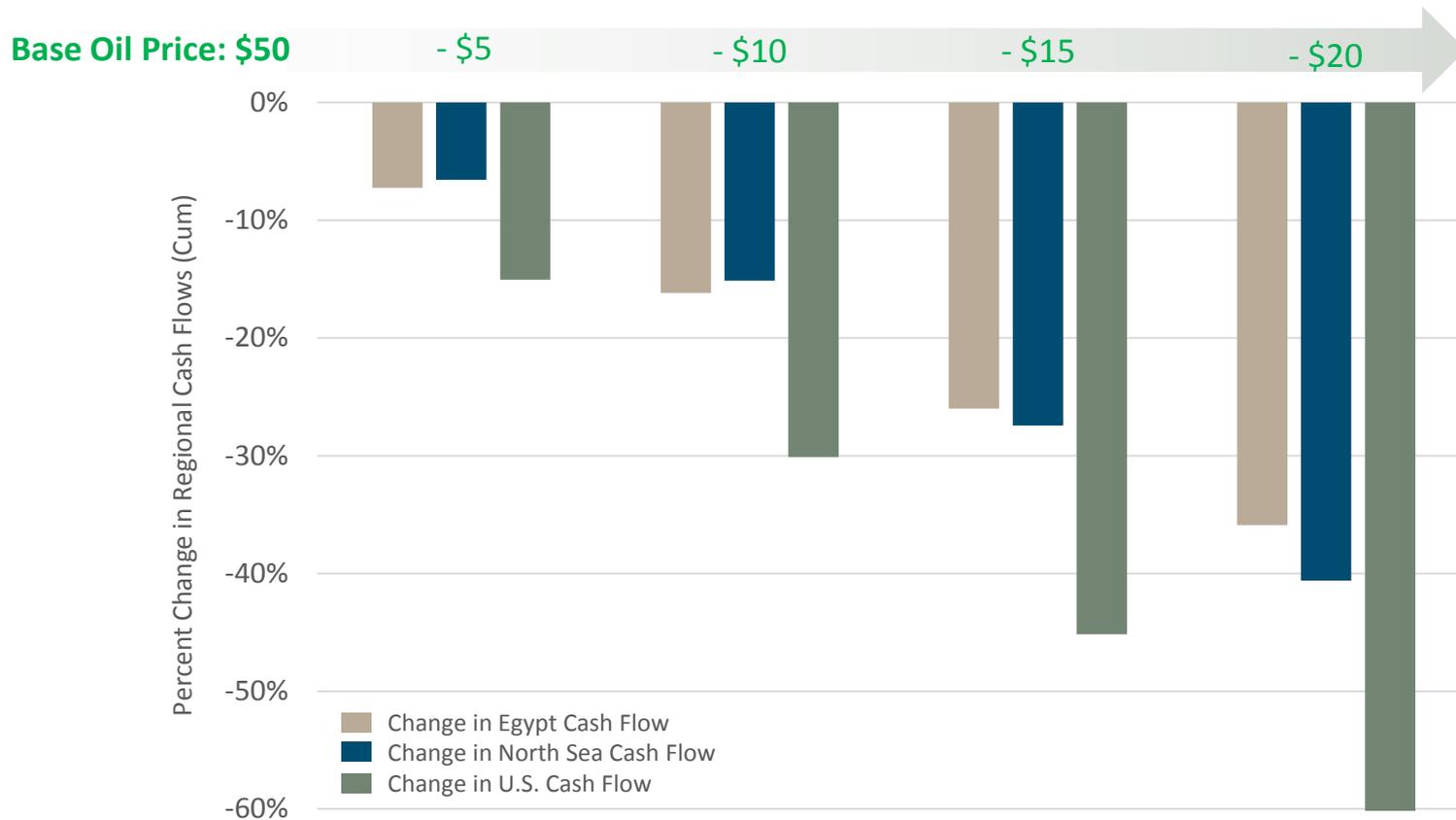
(2) Fourth quarter and YTD 2015 excludes noncontrolling interest share in Egypt of \$79 million and \$300 million, respectively.

FY 2015 REGIONAL CASH MARGINS



INTERNATIONAL CASH FLOW SENSITIVITY

- ▶ Egypt and North Sea fiscal regimes provide down-cycle protection while U.S. preserves upside potential

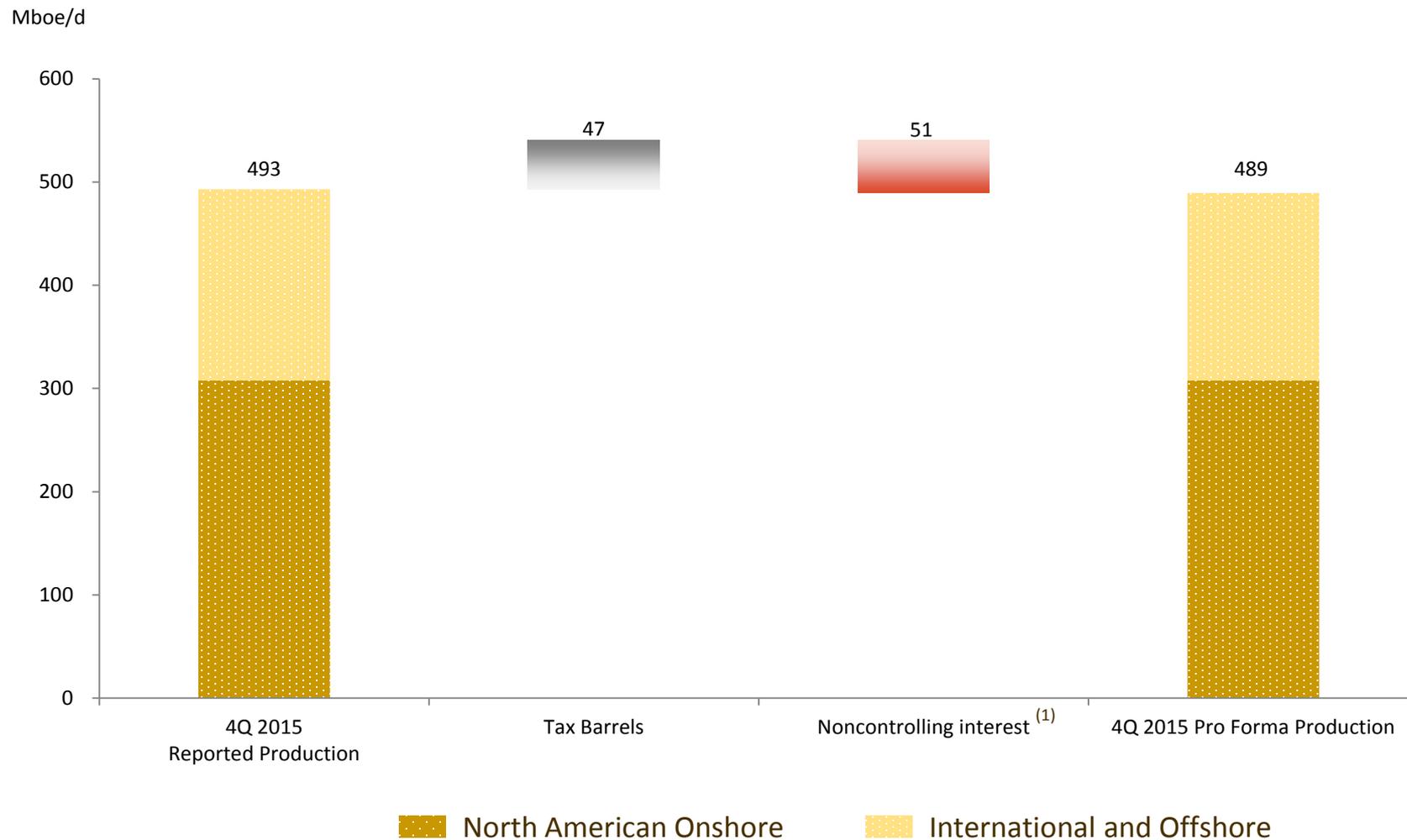


Note: Cash flow sensitivity based on 2016 plan forecast of after-tax cash flow. 2016 plan assumes \$35 Brent and WTI oil prices.

FOURTH-QUARTER AND 2015 OPERATIONS SUMMARY

PRO FORMA PRODUCTION RECONCILIATION

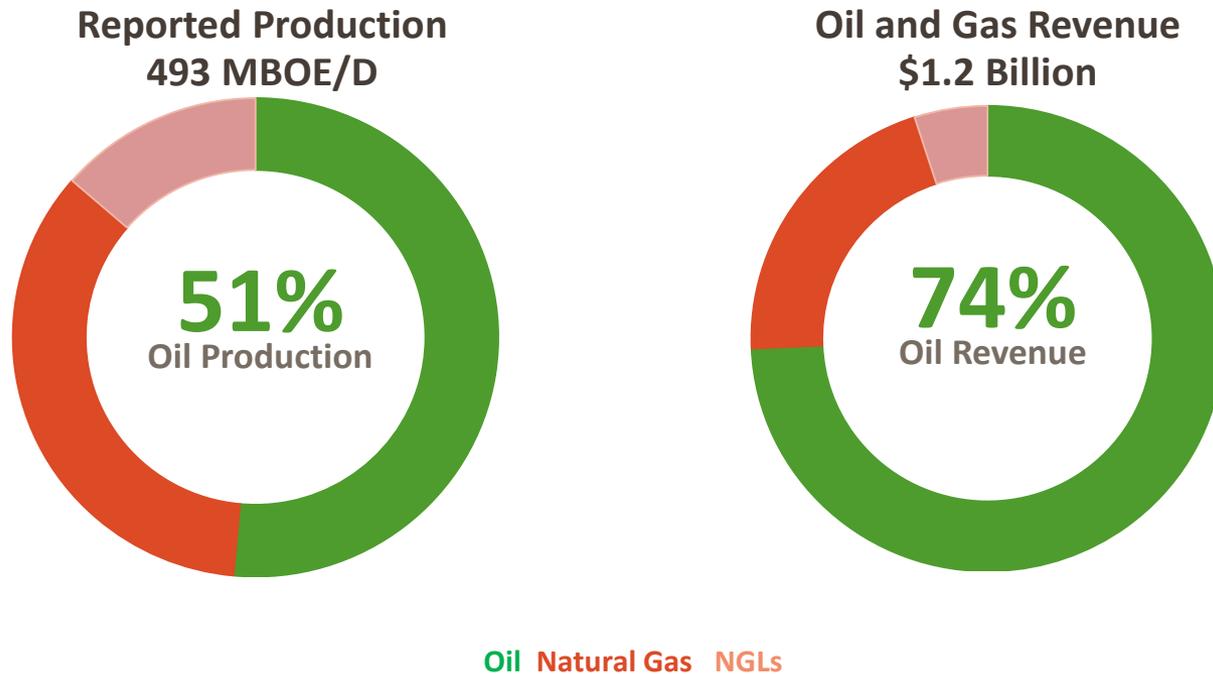
4Q 2015



(1) Excludes tax barrels associated with noncontrolling interest.

PRODUCTION AND REVENUES BY PRODUCT

4Q 2015



Note: Reported volumes are consistent with production included for purposes of GAAP financial reporting and include noncontrolling interest and tax barrels in Egypt.

FOURTH-QUARTER 2015 GLOBAL OPERATIONS

GLOBAL KEY STATS

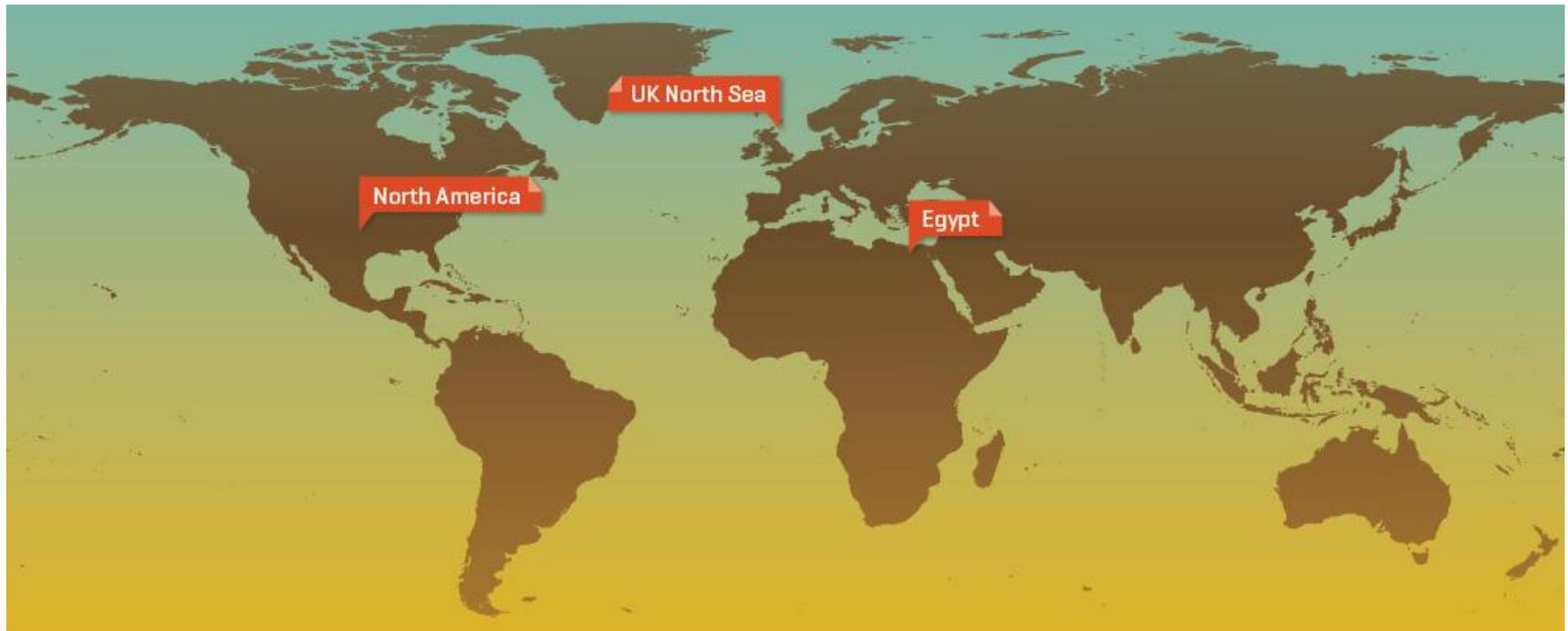
- Reported Production: 493,071 Boe/d
- Completed Wells*: 113 gross, 98 net
- Rigs: Avg 33 rigs

N.A. ONSHORE KEY STATS

- Reported Production: 307,875 Boe/d
- Completed Wells*: 79 gross, 69 net
- Rigs: Avg 15 rigs

INTERNATIONAL & GOM KEY STATS

- Reported Production: 185,196 Boe/d
- Completed Wells*: 34 gross, 29 net
- Rigs: Avg 18 rigs



*Operated wells only.

PERMIAN: 4Q 2015 REGION SUMMARY

Midland Basin

- Averaged three rigs and completed 30 operated wells
- Completions focused in the Barnhart, Deadwood and Wildfire areas
- Well costs were down in 4Q of 2015 over 40% from 4Q of 2014 to an average of \$4.5 million per well
- Current leading edge well costs are less than \$4 million

Delaware Basin

- Averaged four rigs and drilled and completed 15 operated wells
- Completions were focused in the Pecos Bend area
- Well costs were down over 40% in 4Q of 2015 from 4Q of 2014 to an average of \$4.5 million per well
- Current leading edge well costs approximately \$4 million

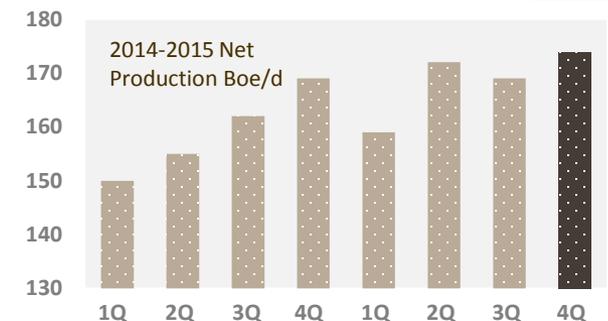
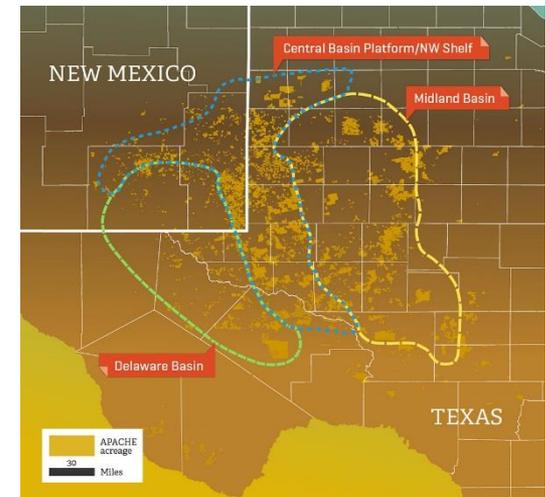
Central Basin Platform / NW Shelf

- Averaged four rigs and completed 12 operated wells
- Completions focused in the Cedar Lake Yeso play
- Well costs were down in 4Q of 2015 over 30% from 4Q of 2014 to an average of \$2.2 million per well

PERMIAN KEY STATS

FOURTH-QUARTER 2015

- ▶ Reported Production: 173,691 Boe/d
- ▶ Completed Wells: 57 gross, 52 net
- ▶ Rigs: Avg 11 rigs



FOURTH-QUARTER NORTH AMERICAN ONSHORE WELL HIGHLIGHTS

Play / Area	Well Name	County	Lateral	Peak 30-Day IP	Peak 30-Day IP / 1,000 Lateral Ft	% Oil / Liquids
MIDLAND WOLFCAMP						
Wildfire	June Tippet 17 #1HM	Midland	5,054'	1,372 Boe/d	271	69% / 84%
Wildfire	June Tippet 17 #2HM	Midland	4,989'	1,047 Boe/d	210	62% / 81%
Wildfire	June Tippet 17 #3HM	Midland	5,022'	957 Boe/d	191	77% / 88%
Deadwood	Shackelton 31W #4HM	Glasscock	4,203'	854 Boe/d	203	66% / 86%
Deadwood	Shackelton 31W #6HM	Glasscock	4,380'	831 Boe/d	190	72% / 88%
CENTRAL BASIN PLATFORM / NORTH WEST SHELF						
Yeso	NFE Federal #29 H	Eddy	3,871'	1,210 Boe/d	313	63% / 81%
Yeso	NFE Federal #37 H	Eddy	5,407'	996 Boe/d	184	83% / 91%
Yeso	Raven Federal #16	Eddy	3,077'	863 Boe/d	280	86% / 93%
DELAWARE BASIN						
3 rd Bone Springs	Condor #208 HR	Loving	4,450'	1,043 Boe/d	234	69% / ---
3 rd Bone Springs	Falcon State 262H	Loving	5,425'	1,183 Boe/d	218	85% / ---
Wolfcamp A	Evergreen 12-1H	Reeves	5,890'	1,023 Boe/d	174	67% / ---
CANADA DUVERNAY						
Kaybob	02/04-26-062-20W	---	3,684'	2,030 Boe/d	551	45% / 60%
Kaybob	00/03-26-062-20W	---	4,170'	1,850 Boe/d	444	42% / 58%
Kaybob	102/03-26-062-20W	---	4,226'	1,648 Boe/d	390	47% / 61%

NORTH SEA: 4Q 2015 SUMMARY

Forties Field

- Completed four successful wells during quarter, including the T254 which produced an initial production rate of 1,643 Bo/d

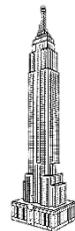
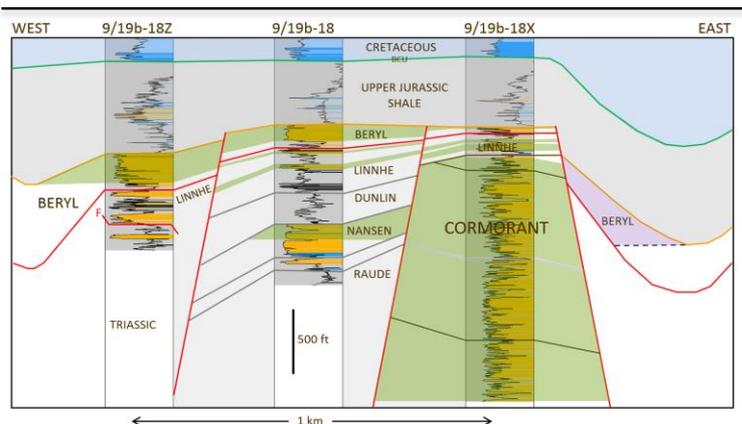
Beryl Area

- Target ACN encountered 171 ft TVD net pay and achieved an initial 30-day rate of 8,729 boe/d
- Target TP6 achieved an initial 30 day production rate of 1,807 boe/d

Exploration Discoveries

- Three significant discoveries were drilled and/or tested during 2015
 - Beryl area: Callater (previously K) and Corona prospects
 - Central North Sea: Seagull (50 miles south of Forties)
 - Together these three separate discoveries represent 74 to 129 MMBOE of estimated potential net reserves

Callater

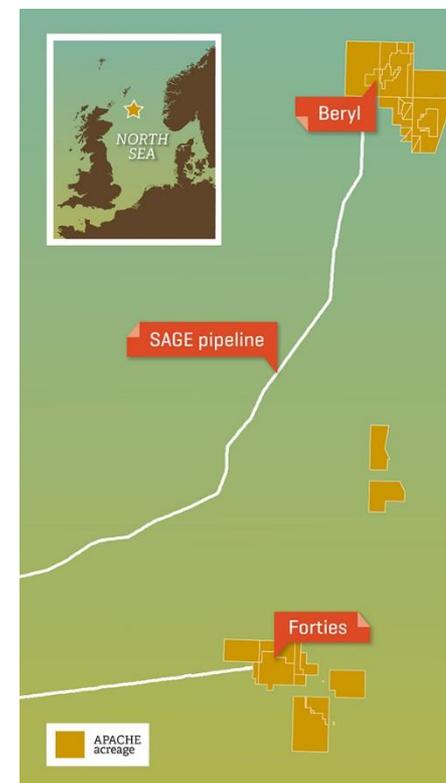


Empire State Building

NORTH SEA KEY STATS

FOURTH-QUARTER 2015

- Reported Production: 71,598 Boe/d
- Completed Wells: 11 gross, 9 net
- Rigs: Avg 5 rigs



NORTH SEA: 2015 DRILLING RECAP

2015 Forties Development

On Production	Wells Connected	Peak 30-Day Avg IP
1Q	0	NA
2Q	5	1,623 Boe/d
3Q	4	2,389 Boe/d
4Q	2	1,081 Boe/d

2015 Program Success Rate

80%

2015 Beryl Development

On Production	Wells Connected	Peak 30-Day Avg IP
1Q	0	NA
2Q	1	1,039 Boe/d
3Q	1	10,108 Boe/d
4Q	3	3,966 Boe/d

2015 Program Success Rate

88%

2015 Exploration

Completion In	Well Name	Test Rate
1Q	0	NA
2Q	Seagull	11,300 Boe/d
3Q	Callater	NA
4Q	Corona	NA

2015 Program Success Rate

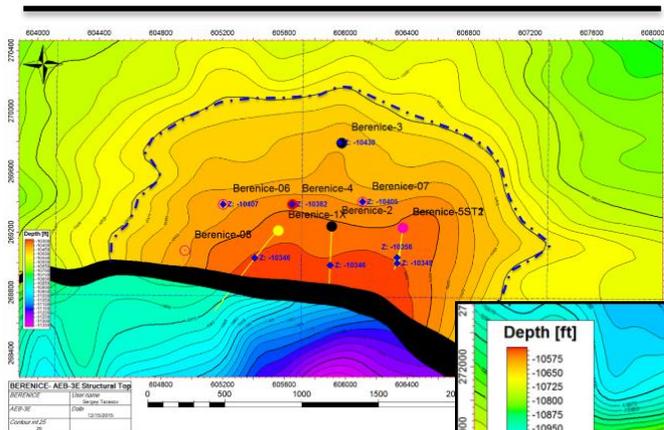
67%

EGYPT: 4Q 2015 SUMMARY

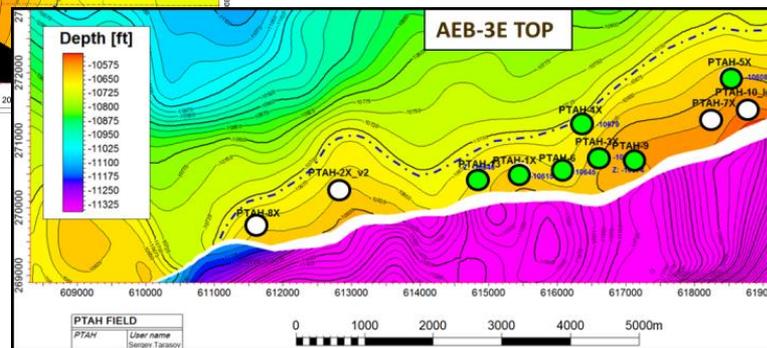
Development

- Ptah and Berenice fields current oil production approximately 30,000 gross bo/d
- 12 wells total drilled and producing in the fields to date with an average drilling and completion cost of \$3.6 million per well
- Cumulative gross oil produced to date approximately 8.3 MMBO
- Over 90% development success rate in 2015

Berenice



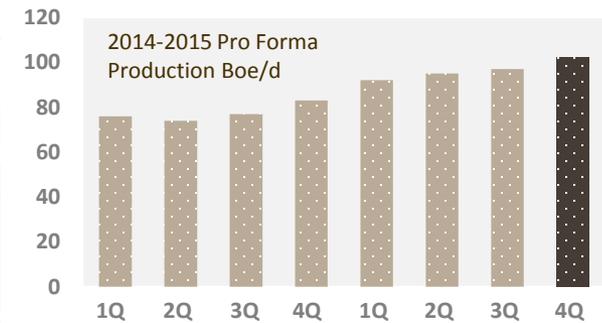
Ptah



EGYPT KEY STATS

FOURTH-QUARTER 2015

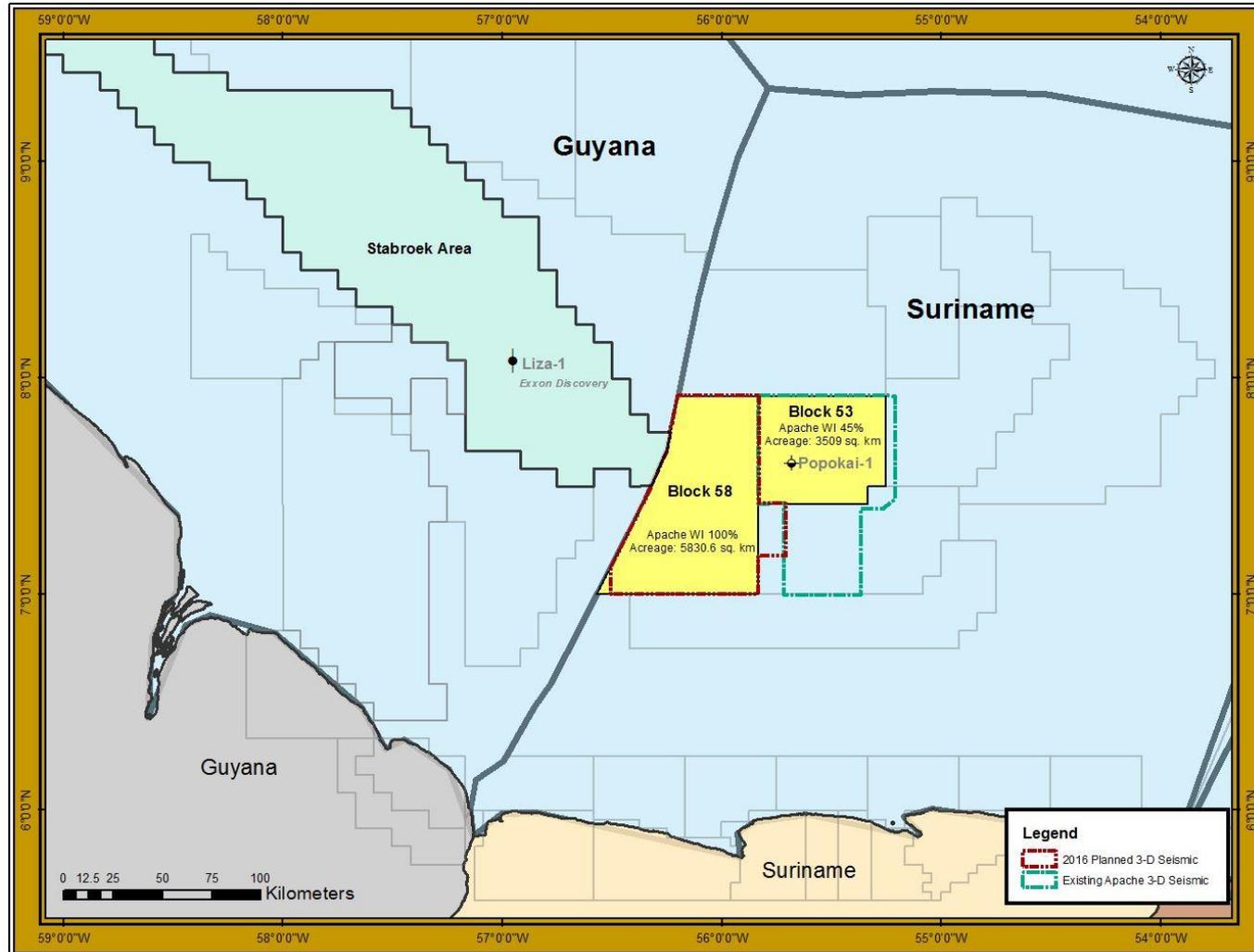
- ▶ Reported Production: 105,782 Boe/d
- ▶ Completed Wells: 23 gross, 20 net
- ▶ Rigs: Avg 13 rigs



EGYPT: PRODUCTION DETAIL

	4Q 2015			3Q 2015		
	Liquids (Bbls/d)	Gas (Mcf/d)	Boe/d	Liquids (Bbls/d)	Gas (Mcf/d)	Boe/d
Gross Production	213,135	831,421	351,705	216,503	873,418	362,073
Net Production	60,592	271,142	105,782	92,129	365,552	153,054
% Gross	28%	33%	30%	43%	42%	42%
Tax Barrels	31,923	91,963	47,250	(5,732)	(8,396)	(7,131)
Net Production Excluding Tax Barrels	92,515	363,105	153,032	86,397	357,156	145,923
% Gross	43%	44%	44%	40%	41%	40%

APACHE – OFFSHORE SURINAME MAP

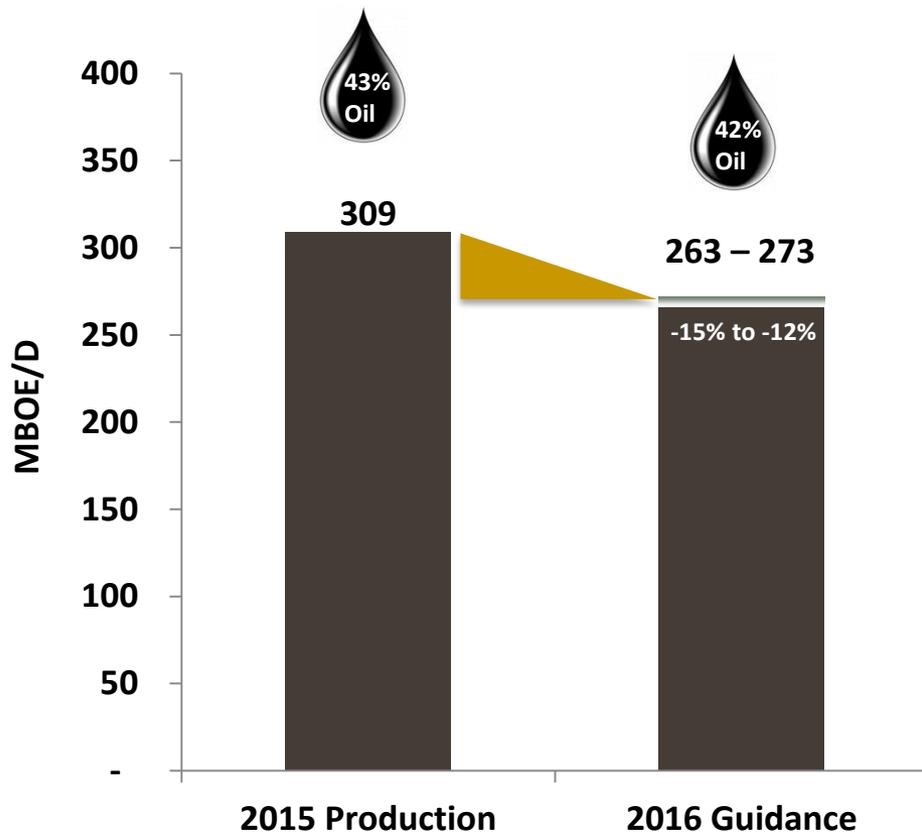


2016 PRODUCTION AND CAPITAL GUIDANCE

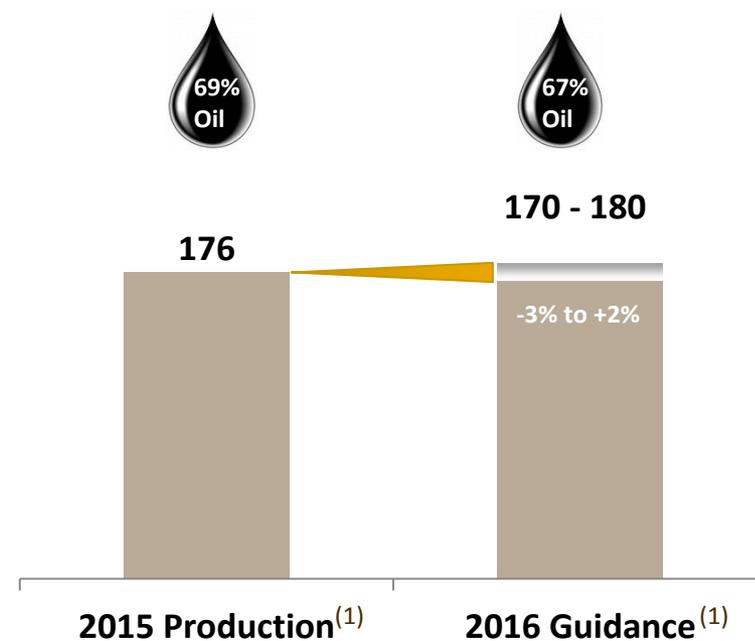
2016 PRODUCTION GUIDANCE

Based on flat \$35/bbl WTI and Brent prices

▶ North American Onshore



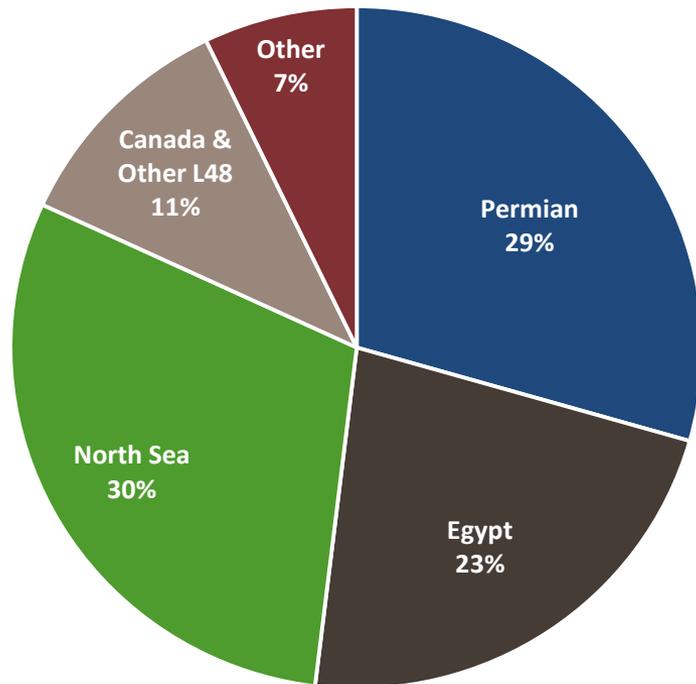
▶ International and Offshore



(1) Production excludes volumes related to noncontrolling interest, tax barrels in Egypt and asset sales in 2015. For a reconciliation to the most directly comparable financial measure please refer to our fourth-quarter 2015 earnings release.

APACHE 2016 CAPITAL PROGRAM

Regional Allocation



Strategic Allocation

