



NEWS RELEASE

## **APACHE CORPORATION REPORTS STRONG RESULTS FROM DISCOVERIES IN EGYPT'S WESTERN DESERT**

- Appraisal- and development-drilling program at recent Berenice and Ptah fields yield strong initial results.**
- Five completed and producing wells have already produced approximately 1 million barrels of oil to date.**

HOUSTON, March 31, 2015 /PRNewswire/ -- Apache Corporation (NYSE, Nasdaq: APA) today reported strong appraisal- and development-drilling results from Egypt following the previously announced discovery of two new oil fields in the Western Desert. The initial discoveries were announced with the fourth quarter 2014 results on Feb. 12, 2015. Development leases were approved by the Egyptian General Petroleum Corporation (EGPC) and Ministry of Petroleum in record time, taking only 13 days from submission of the development plan for Berenice, and only six days for Ptah.

The Berenice and Ptah fields are located in the Faghur Basin along the same fault trend in the Khalda Offset Concession. Exploration and drilling efforts are targeting rock from both the Mesozoic and deeper Paleozoic eras. These targets are a PRIMARY focus for Apache Egypt and have proven successful in this area with oil and gas discoveries made at the nearby Shu-1X, Apries-1X, Bat-1X and Geb-1X wells, although Ptah is the largest new field found in the play thus far.

Five wells, including the discovery wells, have been completed to date by Khalda Petroleum Company, Apache's joint-venture company with EGPC. All five wells are producing without the need for fracture stimulation at a combined rate of more than 13,600 barrels of oil per day (bbl/d) with first production starting in November 2014. The wells have produced approximately 1 million barrels of oil to date. Apache has invested \$14 million to install production facilities and plans to invest another \$35 million to handle the forecasted production increase.

Apache currently has three rigs operating in these two fields to drill development wells. All oil is being shipped via pipeline to nearby Khalda-operated processing facilities. Apache plans to continue increasing production from the two fields to 17,500 bbl/d by mid-year.

### **Berenice Field**

The Berenice field started producing light oil from the Cretaceous-aged Alam El Buieb formations (AEB-3D and AEB-3E) in November 2014. Three wells are currently producing more than 9,500 bbl/d from a 700-acre drainage area with pay zones that range between 38 feet and 142 feet. Apache has a drilling rig dedicated to the field, which is currently drilling the Berenice-4 and will then continue on to the Berenice-5. The Berenice-4 contains a 142-foot oil pay zone in the target AEB-3D/-3E sandstones with excellent reservoir quality. Up to four additional wells are planned during the first phase of development. Drilling depth is approximately 12,000 feet with completed-well costs expected to average approximately \$3 million for each of the development wells.

### **Ptah Field**

The Ptah field started producing light oil from the Paleozoic-aged Shiffah Formation in December 2014. This field also has substantial target zones logged in the AEB-3D/-3E formations that have yet to be tested. In the Shiffah, the field discovery well (Ptah-1X) is currently producing 2,350 bbl/d and a second well (Ptah-3X) started production in March 2015 at a rate of 2,000 bbl/d. Shiffah pay zones have averaged 130 feet while the AEB-3D/-3E formations yet to be completed have logged an average net oil pay section of 65 feet.

Further appraisal drilling and AEB-3D/-3E production testing will be conducted with the Ptah-4X and Ptah-6 to further define the field size and reserves. Drilling depth to the deeper Shiffah is approximately 13,800 feet, while the AEB-3D/-3E targets average a depth of 11,000 feet. Completed-well costs are expected to average around \$3.7 million for Shiffah wells and \$2.5 million for the AEB-3D/-3E wells.

"These recent discoveries demonstrate the inventory and upside potential Apache enjoys in Egypt," said Apache Egypt Country Manager Tom Maher. "By applying new technologies and advanced 3-D imaging by an integrated team, we have gained a better understanding of the Western Desert petroleum system. This has allowed us to uncover new, deeper targets in areas where we

have been operating for years. These recent discoveries, coupled with several other exploration activities currently underway, highlight the significant opportunity we have for greater development of our 6.7 million gross acres."

## About Apache

Apache Corporation is an oil and gas exploration and production company with operations in the United States, Canada, Egypt, the United Kingdom and Australia. Apache posts announcements, operational updates, investor information and copies of all press releases on its website, [www.apachecorp.com](http://www.apachecorp.com), and on its Media and Investor Center mobile application, which is available for free download from the [Apple App Store](#) and the [Google Play Store](#).

## Forward-looking statements

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects" and similar references to future periods. These statements include, but are not limited to, statements about future plans, expectations and objectives for Apache's operations, including statements about our exploration and drilling plans and production expectations in Egypt. While forward-looking statements are based on assumptions and analyses made by us that we believe to be reasonable under the circumstances, whether actual results and developments will meet our expectations and predictions depend on a number of risks and uncertainties which could cause our actual results, performance, and financial condition to differ materially from our expectations. See "Risk Factors" in our 2014 Form 10-K filed with the Securities and Exchange Commission for a discussion of risk factors that affect our business. Any forward-looking statement made by us in this news release speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future development or otherwise, except as may be required by law.



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