



NEWS RELEASE

Apache's Recent Gas And Condensate Discoveries Highlight Prolific Opportunities In Egypt's Western Desert

HOUSTON, May 6, 2014 /PRNewswire/ -- Apache Corporation (NYSE, Nasdaq: APA) said today two recent hydrocarbon discoveries illustrate the continuing reserve upside to be found across the company's 6.8 million gross acres in Egypt's Western Desert.



- The Herunefer-1X discovery, located in the Matruh Basin in the eastern portion of Khalda Offset Concession, encountered pay in the Alamein, Alam El Buieb-6 (AEB), Masajid, Upper Safa and Lower Safa formations. Tests from the Lower Safa and Upper Safa intervals flowed at a combined rate of 49 million cubic feet (MMcf) of gas and 7,700 barrels of condensate per day. The estimated cost to drill and complete the well was \$6 million.
- The BAT-1X discovery, located in the northern Shushan Basin in the Khepri-Sethos Development Lease, tested at a rate of 31 MMcf of gas and 390 barrels of condensate per day from a thick Paleozoic Shiffah sandstone interval. The well, which was drilled to a total depth of 15,555 feet, also encountered pay in the Cretaceous Upper Bahariya, Lower Bahariya, Alamein, AEB-3C and AEB-3D formations. The estimated cost to drill and complete the well was \$5.25 million.

Both discoveries were drilled by Khalda Petroleum Company, an Apache-operated joint venture with the Egyptian General Petroleum Company. Apache operates in Egypt in partnership with Sinopec International Petroleum Exploration and Production Corporation, which owns a one-third interest in Apache's Egypt oil and gas business. The Apache-Sinopec partnership has a 100-percent contractor interest in both fields.

"Herunefer-1X is the first of a series of exploration wells planned for the Matruh Basin area this year," said Thomas M. Maher, Apache Egypt Region vice president. "The basin remains an attractive focus area for exploration and development and has been relatively under-explored. We have identified a number of untested structural features, and trends have been mapped and identified, with the potential for stacked targets and high-condensate-yield gas objectives."

Apache plans to construct a new, 7.5-mile (14 km) pipeline that will connect to the existing transportation grid at the Jade area manifold. From Jade, the production can be delivered to either the Salam or Tarek gas plants.

"BAT-1X is a potentially large discovery and the latest in Apache's pursuit of stratigraphic traps and Paleozoic subcrop plays," Maher said. "Our understanding of this play concept has evolved since the 2007 Hydra Field discovery. We now recognize that these traps and subcrop plays were key geologic elements in more than 20 previous Western Desert field discoveries."

Apache plans to drill several trend exploration wells in 2014 to evaluate and appraise the BAT discovery. Alternatives for delivering the production to market are under evaluation.

Additional production facilities were installed at the Hydra Field during the first quarter. The field is currently producing 180 MMcf of gas and 8,600 barrels of condensate per day from six wells. One additional well was recently completed and is being connected to production facilities.

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, 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 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 2013 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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