



## Apache announces three new oil and gas discoveries in Egypt's western desert, extends production base across vast concession areas

HOUSTON, May 7, 2013 /PRNewswire/ -- Apache Corporation (NYSE, Nasdaq: APA) today announced drilling success with three new discovery wells in Egypt's Western Desert.

"Apache's discoveries, made in three separate basins, highlight the company's diverse potential for new oil and gas developments across its concessions. This exploration success extends the company's production base to the northeast at the North Ras Qattara Concession and to the southwest in the Siwa Concession," said Thomas M. Maher, Egypt Region vice president and general manager. "We operate in the most remote areas of the country, and have for 20 years. Our exploration and production activities continue without interruption. During the first quarter we maintained a very active drilling pace, operating on average 26 rotary rigs every day during the period."

The discoveries include:

- The NRQ 3151-1X, an Alamein Basin discovery located in the North Ras Qattara Concession, test-flowed at a combined rate of 1,625 barrels of oil and 18.7 million cubic feet (MMcf) of natural gas per day from two intervals in the Jurassic Lower Safa Formation, the deepest production established to date in the Western Desert producing province. Logging operations confirmed 100 feet of pay sands were encountered in multiple zones, including the Cretaceous Upper Bahariya, the Jurassic Zahra, the Upper Safa, and the Lower Safa. Appraisal drilling is planned for later in 2013, along with an offset Jurassic play and a shallower Bahariya well. Apache has a 70 percent operated interest in the North Ras Qattara Concession with IPR holding the remaining 30 percent.
- SIWA L-1X, located in the Siwa Concession within the Faghur Basin, tested at a rate of 2,041 barrels of oil per day from the lower-most portion of a thick Paleozoic Desouky pay sand. The exploration well is located four miles south of the closest currently producing well in the basin. The discovery well encountered 123 feet of hydrocarbon pay in the Cretaceous Alam el Buieb (AEB-3E), AEB-5, Jurassic Safa, and the Desouky zones. Production is expected to commence following government approval of a development lease. In addition to extending the productive fairway of the Faghur Basin, this discovery also sets up a number of analogous prospects for drilling later in 2013. Apache is the operator and has a 50 percent working interest in the Siwa Concession with the state-owned Tharwa Petroleum Company also holding a 50 percent working interest.
- NTRK-G-1X, an exploratory well located in the North Tarek Concession within the Matruh Basin, encountered 60 net feet of Upper Safa hydrocarbon pay and tested at 14.8 MMcf of natural gas and 1,522 barrels of condensate per day. This Jurassic Upper Safa discovery extends the productive fairway found two miles to the northeast. A gas gathering system is currently being installed in this area by Khalda Petroleum Company, the joint venture operating company owned by Apache and the Egyptian General Petroleum Corp., and is expected to be completed in the third quarter. Apache has a 100 percent working interest in the North Tarek Concession.

Maher also noted a deep backlog of drilling opportunities, and that the stacked-pay potential with Apache's Western Desert concessions reduces the risks associated with drilling wells in new areas.

Exploration wells in the western desert also can be relatively inexpensive to drill, with the NRQ 3151-1X, SIWA L-1X, and the NTRK-G-X costing \$7.6 million, \$3.7 million, and \$4.4 million, respectively, to drill, run casing and test. The company also has been successful in reducing operating costs by implementing new well designs for more efficient production.

Apache is the most active oil and gas driller in the Western Desert and is the country's leading producer of crude oil and among the top-ranked natural gas producers.

### About Apache

Apache Corporation is an oil and gas exploration and production company with operations in the United States, Canada, Egypt, the United Kingdom North Sea, Australia and Argentina. Apache posts announcements, operational updates, investor information and copies of all press releases on its website, [www.apachecorp.com](http://www.apachecorp.com).

### 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 seismic data acquisition, potential drilling locations, planned drilling activity, future production, and exploration prospects, and Apache's ability to execute on production and development plans 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 depends on a number of risks and uncertainties that could cause our actual results, performance and financial condition to differ materially from our expectations. See "Risk Factors" in our 2012 Form 10-K and our subsequent filings 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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