



Apache's Drilling Success, New Development Leases in Faghur Basin Point to Continued Production Growth in Egypt's Western Desert

HOUSTON, March 26, 2012 /PRNewswire/ -- Apache Corporation (NYSE, Nasdaq: APA) today reported that approval of seven new development leases in the Faghur Basin has enabled the company to add 5,200 barrels per day of new production in Egypt's Western Desert.

"Apache is pushing Jurassic, Cretaceous and Paleozoic plays farther south and westward in the Faghur Basin," said Tom Voytovich, Egypt Region vice president. "This significant expansion in development acreage in the Faghur Basin is the result of Apache's strong regional knowledge that enables our geoscientists to identify multi-pay targets as they develop new play concepts. This work has led to the discovery of five new Faghur fields over the last six months."

Neilos-2, Apache's latest Faghur Basin well, test-flowed 6,301 barrels of oil and 4.2 million cubic feet (MMcf) of gas per day. The well, one-half mile (0.8 km) north from the Neilos-1X discovery, was drilled to appraise the north flank of the Neilos Field and logged 33 feet of net pay in the Jurassic Safa reservoir.

Apache's current gross operated production in Egypt totals approximately 203,000 barrels of oil and 880 MMCF of gas per day in Egypt, up 3 percent from 2011. Under the terms of the production sharing agreements, Apache's net is about half of the gross production.

Among the recent discoveries in the Faghur Basin were:

- The West Kalabsha South-1X, drilled approximately 2 miles (3.2 km) northwest of the Siwa-D-1X, discovery, tested at a rate of 2,244 barrels of oil and 4.3 MMcf of gas per day from the Cretaceous Alem el Bueib (AEB) and Safa reservoirs. The well confirmed a significant extension of the Siwa-D discovery into the West Kalabsha Concession.
- The WKAL-N-1X, drilled approximately 3 miles (5 km) southwest of the Tayim West-1X discovery, intersected 26 feet of net pay in the AEB-6 and 38 feet of net pay in the Safa and test-flowed 4,978 barrels of oil and 4.7 MMcf of gas per day.

Apache has drilled eight development wells in the Faghur Basin this year, including the West Kalabsha A-6, a westward extension of the West Kalabsha-A structure that tested 2,750 barrels per day from a series of stacked AEB reservoirs. Apache currently is drilling three wells in the Faghur Basin and 14 more wells are planned during 2012.

In focus areas northeast of the Faghur Basin, Apache has drilled seven wells, including four discoveries. Drilling is under way at six locations and 13 more wells are planned during 2012.

Apache continues to acquire and evaluate 3-D seismic surveys to enhance its drilling inventory across nearly 10 million acres in the Western Desert. In the Faghur Basin, Apache recently completed two surveys, including a 400-square-mile (1,040 km²) survey to identify additional exploration opportunities to the west in the basin, across the Sallum Concession, and a 656-square-mile (1,698 km²) survey covering the eastern part of the basin underlying the Khalda Offset, South Umbarka, and Shushan concessions.

New 3-D seismic surveys are being acquired in other Apache concessions in the Western Desert to replace and improve upon existing data. Surveys at the West Kanayes (636 square miles or 1,027 km²) and West Ghazalat (660 square miles or 1,065 km²) concessions will enable Apache's technical teams to high-grade prospects in relatively underexplored areas.

About Apache

Apache Corporation is an independent 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, updates and investor information, in addition to copies of all recent press releases, on its Web site, <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 potential drilling locations, planned drilling activity, future production, and exploration prospects, and Apache's ability to execute on production and development plans in the Faghur Basin, 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 2011 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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