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Apache Expands Options to Transport Permian Natural Gas With Agreement for Incremental Takeaway Capacity to Texas Gulf Coast

HOUSTON, Dec. 21, 2017 (GLOBE NEWSWIRE) -- Apache Corporation (NYSE:APA) (Nasdaq:APA) today announced it had secured 500 million cubic feet (MMCF) per day of natural gas transport capacity via the Gulf Coast Express Pipeline Project (GCX Project). The GCX Project will connect the Waha Hub near Coyanosa, Texas in the Permian Basin to Agua Dulce, Texas near the Texas Gulf Coast, and will provide Apache access to domestic industrial and utility users as well as incremental demand for LNG exports and Mexico markets. As a significant shipper on the GCX line, Apache has also secured an option for up to 15 percent equity stake in the pipeline.

"The takeaway capacity we have secured will allow greater flexibility and market optionality for our Permian production, including increasing volumes from our recent discovery at Alpine High. Our participation in the GCX project ensures we will be able to deliver gas to the Gulf Coast where we can access growing market demand and Gulf Coast basis pricing. Today's announcement supplements previously contracted shipping capacity from the region and complements the significant field infrastructure we have built to accelerate the development program at Alpine High," said Brian Freed, Apache's senior vice president, Midstream and Marketing.

The GCX pipeline is a joint project of Kinder Morgan Texas Pipeline LLC (KMTP), a subsidiary of Kinder Morgan, Inc., DCP Midstream, LP (DCP Midstream) and an affiliate of Targa Resources Corp. (Targa). The approximately \$1.7 billion GCX Project is designed to transport up to 1.92 billion cubic feet per day (Bcf/d) of natural gas. The GCX Project Mainline portion consists of approximately 82 miles of 36-inch pipeline and 365 miles of 42-inch pipeline originating at the Waha Hub near Coyanosa, Texas in the Permian Basin and terminating near Agua Dulce, Texas.

The project is expected to be in service in October 2019, pending the receipt of necessary regulatory approvals. As previously announced, KMI will build, operate and own a 50 percent interest in the GCX Project, and DCP Midstream and Targa will each hold a 25 percent equity interest in the project.

About Apache

Apache Corporation is an oil and gas exploration and production company with operations in the United States, Egypt and the United Kingdom. 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's 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," "guidance," "outlook," 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 capital plans, drilling plans, production expectations, asset sales, and monetizations. 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 2016 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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