

The Apache logo is written in a stylized, italicized yellow font on a dark brown rectangular background. The background of the entire slide is a photograph of an offshore oil rig with a helicopter in the sky and a worker in safety gear in the foreground.

Apache

APACHE CORPORATION

“Riding the Wave of
Resource Development”

February 15, 2013

John L. Hendrix

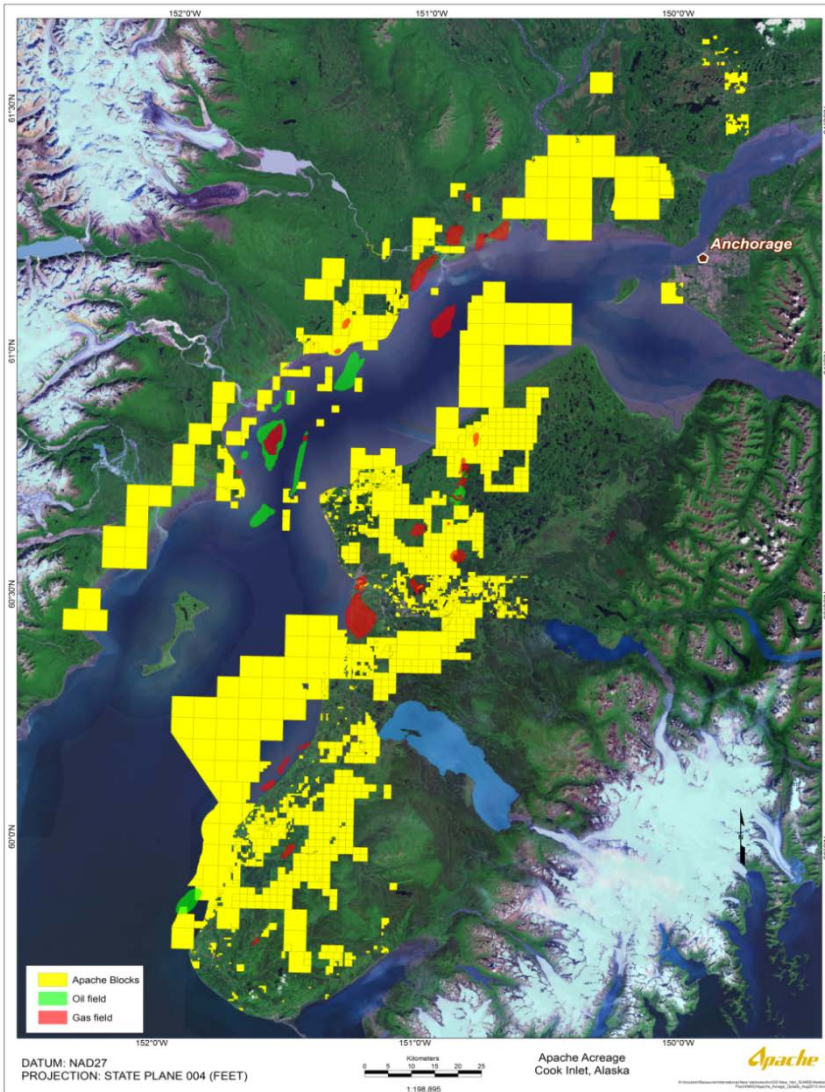
APACHE: STRONG AND INDEPENDENT

- YE 2012 proved reserves: 2.8 billion barrels of oil equivalent
- 2012 production: 779,000 boe/day
- 5,500 employees worldwide
- US \$30 billion market capitalization
- Member S&P 100, S&P 500
- No. 154 in Fortune 500

APACHE ALASKA: OFF TO A FAST START

- August 2010 – acquired initial acreage from Dan Donkel
- December 2010 – acquired additional acreage from Alaska Mental Health Trust
- March/April 2011 – *Seismic Technology Test* undertaken in West Forelands
- June 2011 – acquired 500,000 acres through State Oil & Gas Lease Sale
- July 2011 – awarded multi-year seismic contract to SAExploration
- November 2011 – Seismic data acquisition commences
- May 2012 – acquired additional acreage through State Oil & Gas Lease Sale

APACHE'S COOK INLET ACREAGE



- With more than 1 million acres, Apache is the largest acreage holder in Cook Inlet
- Multi-year 3-D seismic program launched November 2011, worked continuously through September 2012
- Approximately 300 square miles acquired to date (over 200,000 acres)
- Working cooperatively with all stakeholders
- Wireless technology minimizes environmental impact
- Extensive mitigation program to avoid marine mammals
- 1 million hours worked with no lost-time accidents

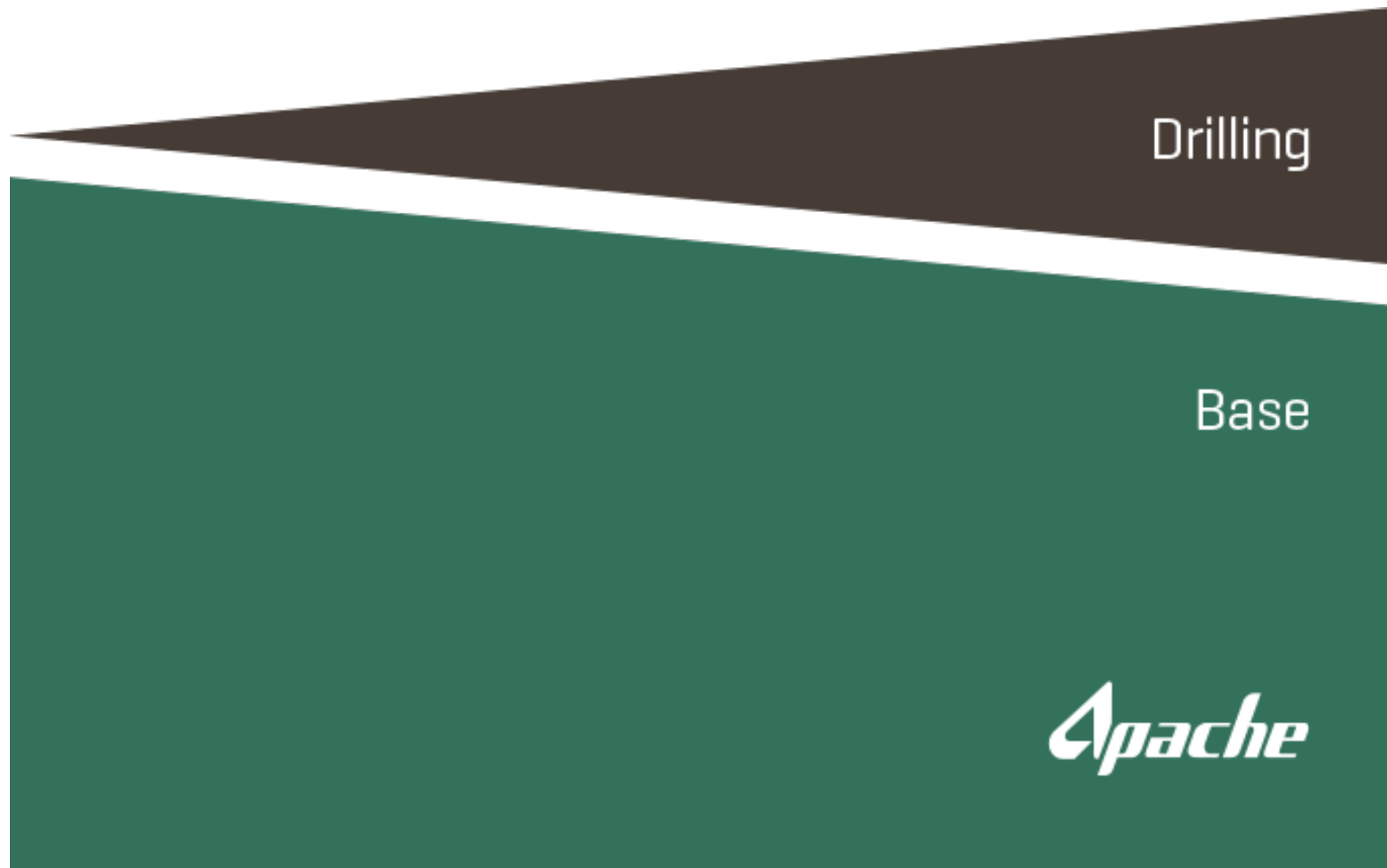
APACHE ALASKA MILESTONES – 2012

- Acquired additional acreage through State Lease Sale
- Seismic and exploration agreements signed with Alaska Native Corporations
- 200,000 acres of seismic data spans Cook Inlet from Tyonek to Nikiski
- Signed agreement to donate raw seismic data to University of Alaska, Fairbanks and Division of Geological & Geophysical Services for earthquake research
- September Patterson Rig 191 arrives Alaska from North Dakota
- Q4 – spud first well, Kaldachabuna #2

APACHE SPUD'S FIRST WELL – NOV. 14, 2012



GROW THRU THE DRILL BIT!



APACHE ALASKA – 2013 OBJECTIVES

- Secure permits to resume seismic activities
 - ▲ Secure additional 200 square miles of seismic data
 - ▲ Offshore Area
 - ▲ Nikiski –Point Possession
 - ▲ Onshore Area
 - ▲ CIRI Lands w/in KNWR
 - ▲ Moose Point – Gray Cliff
- Complete drilling of Kaldachbuna #2
- Interpret acquired seismic data
- Identify New Exploration Well Locations

CHALLENGES TO PRODUCTION

- ▶ Outstanding Permits
 - ▲ Federal Agencies
 - ▲ National Marine Fisheries Service
 - ▲ U.S. Army Corps of Engineers
 - ▲ U.S. Fish & Wildlife Service
 - ▲ Letters of Non-Objection
- ▶ Timing
- ▶ Access

KENAI BOROUGH TAXPAYERS – THEN & NOW

2003 TOP TEN

1. Unocal
2. Agrium
3. Phillips Petroleum
4. Tesoro Alaska
5. BP Exploration
6. ACS
7. Marathon
8. XTO Energy
9. Forest Oil
10. Cook Inlet Pipeline

Total Assessed Value =
\$1,054,074,011 or 26.06% of Total
Taxable Assessed Value

2012 TOP TEN

1. Tesoro Alaska
2. Unocal
3. Conoco Phillips
4. Marathon Oil
5. ACS
6. XTO Energy
7. Kenai Kachemak Pipeline
8. WAL-Mart
9. Alaska Pipeline
10. BP Exploration

Total Assessed Value =
\$1,073,223,531 or 16.18% of Total
Taxable Assessed Value

APACHE ALASKA'S COMMUNITY OUTREACH



- ▶ 1ST Annual Apache Rainbow Challenge for Tustumena 200
- ▶ Tebughna Foundation
- ▶ CIRI Foundation
- ▶ HOPP Homer Playground
- ▶ Pratt Museum

APACHE: EXPLORING WHAT'S POSSIBLE

- ▶ Questions?
- ▶ Thank you.