



Second-Quarter 2024

Financial and Operational Supplement

July 31, 2024

APA
Corporation

Notice to Investors

Certain statements in this earnings supplement contain "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 including, without limitation, expectations, beliefs, plans, and objectives regarding anticipated financial and operating results, asset divestitures, estimated reserves, drilling locations, capital expenditures, price estimates, typical well results and well profiles, type curve, and production and operating expense guidance included in this earnings supplement. Any matters that are not historical facts are forward looking and, accordingly, involve estimates, assumptions, risks, and uncertainties, including, without limitation, risks, uncertainties, and other factors discussed in our most recently filed Annual Report on Form 10-K, recently filed Quarterly Reports on Form 10-Q, recently filed Current Reports on Form 8-K available on our website, www.apacorp.com, and in our other public filings and press releases. These forward-looking statements are based on APA Corporation's (APA) current expectations, estimates, and projections about the company, its industry, its management's beliefs, and certain assumptions made by management. No assurance can be given that such expectations, estimates, or projections will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results, or other expectations expressed in this earnings supplement, including the company's ability to meet its production targets, successfully manage its capital expenditures and to complete, test, and produce the wells and prospects identified in this earnings supplement, to successfully plan, secure necessary government approvals, finance, build, and operate the necessary infrastructure, and to achieve its production and budget expectations on its projects.

Whenever possible, these "forward-looking statements" are identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "continues," "could," "estimates," "expects," "goals," "guidance," "may," "might," "outlook," "possible," "potential," "projects," "prospects," "should," "would," "will," and similar phrases, but the absence of these words does not mean that a statement is not forward-looking. Because such statements involve risks and uncertainties, the company's actual results and performance may differ materially from the results expressed or implied by such forward-looking statements. Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Unless legally required, we assume no duty to update these statements as of any future date. However, you should review carefully reports and documents that the company files periodically with the Securities and Exchange Commission.

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Certain information may be provided in this earnings supplement that includes financial measurements that are not required by, or presented in accordance with, generally accepted accounting principles (GAAP). These non-GAAP measures should not be considered as alternatives to GAAP measures, such as net income, total debt or net cash provided by operating activities, and may be calculated differently from, and therefore may not be comparable to, similarly titled measures used at other companies. For a reconciliation to the most directly comparable GAAP financial measures, please refer to APA's second quarter 2024 earnings release at www.apacorp.com and "Non-GAAP Reconciliations" of this earnings supplement.

None of the information contained in this document has been audited by any independent auditor. This earnings supplement is prepared as a convenience for securities analysts and investors and may be useful as a reference tool. We may elect to modify the format or discontinue publication at any time, without notice to securities analysts or investors.

2Q 2024 Key Metrics

	2Q 2024
Reported Production	473 Mboe/d
Adjusted Production ⁽¹⁾	405 Mboe/d
Cost Incurred in Oil and Gas Property ⁽²⁾	\$5,426 Million
Upstream Capital Investment ⁽³⁾	\$839 Million
Net Cash Provided by Operating Activities	\$877 Million
Adjusted EBITDAX ⁽³⁾	\$1,576 Million
Free Cash Flow ⁽²⁾	\$103 Million
Diluted Earnings Per Share	\$1.46
Adjusted Earnings Per Share ⁽³⁾	\$1.17

(1) Excludes production attributable to Egypt tax barrels and noncontrolling interest.

(2) Reflects \$4,492 million attributed to the acquisition of Callon Petroleum.

(3) For a reconciliation to the most directly comparable GAAP financial measure, please refer to the Non-GAAP Reconciliations. Please refer to the glossary of referenced terms for definitions of Free Cash Flow and Upstream Capital Investment.

APA Strategic Framework

Remain Committed to Oil and Gas

Oil and gas production is APA's core competency and will drive best returns for shareholders

Build and Grow a High-Quality Portfolio

APA seeks a diverse and balanced portfolio with scale

Maintain Financial Discipline

APA manages costs, protects the balance sheet and returns cash to shareholders

Deliver Top Operational Performance

Across safety, execution, environmental responsibility and risk management

Recent Highlights

Permian and Egypt performance drove **oil volumes above guidance**



Adjusted production⁽¹⁾⁽²⁾ of **405 MBOE/D**
Adjusted oil production⁽¹⁾⁽²⁾ of **209 MBO/D**

Returned **\$135 Million** to shareholders in 2Q24 through dividends and share buybacks



Repurchased **\$43 Million** of stock at an average price of **\$28.72** per share in 2Q24

Closed acquisition of **Callon Petroleum** on April 1, 2024



Increased cost synergy estimate to **\$250MM**

Suriname: FPSO hull secured for **200,000 barrel per day** development project



Targeting **FID by year-end 2024** and first oil in 2028

(1) For a reconciliation to the most directly comparable GAAP financial measure, please refer to the Non-GAAP Reconciliations. Please refer to the glossary of referenced terms for definitions of Free Cash Flow and Upstream Capital Investment.

(2) Excludes production attributable to tax barrels and noncontrolling interest.



Callon Integration and Guidance

Integration of Callon's Permian Assets

Increasing synergy target to \$250 million, up from original estimate of \$150 million

	Estimated Annual Run-Rate Savings		Synergy Progress
	Initial Estimate (Jan-2024)	New Estimate (Jul-2024)	
Overhead	\$55 million	\$90 million	<ul style="list-style-type: none"> Achieved nearly all targeted run-rate savings by the end of 2Q24
Cost of Capital	\$40 million	\$40 million	<ul style="list-style-type: none"> Fully realized when debt is termed out or paid off
Operational (DC&F / LOE)	\$55 million	\$120 million 60% DC&F 40% LOE	<ul style="list-style-type: none"> Progressing DC&F reductions through technology utilization, operational efficiencies and design improvements Leveraging economies of scale to improve commercial terms across operations Artificial lift optimization underway (LOE reduction and increased well uptime) Eliminating redundant field labor and reducing water disposal costs by utilizing APA-owned facilities
	\$150 million	\$250 million	<ul style="list-style-type: none"> Expect to achieve vast majority of run-rate by year-end 2024

Capital productivity uplift expected to provide significant incremental value in 2025+

Guidance

Full year guidance reflects APA standalone for 1Q24, plus Callon for 2Q24-4Q24

	3Q 2024	FY 2024	Commentary
Production (Mboe/d)			
United States.....	298	286	Reflects 3Q24 U.S. curtailments of ~90 MMcf/d of gas & ~7.5 Mb/d of NGL
Egypt (Reported) ⁽¹⁾	133	133	
North Sea.....	25	36	3Q24 production impacted by Beryl platform maintenance turnaround
Total Reported Production ⁽¹⁾	456	455	
Less: Egypt Tax Barrels ⁽¹⁾	35	35	
Less: Egypt Noncontrolling Interest ⁽¹⁾	33	33	
Total Adjusted Production ⁽¹⁾	388	387	
Total Adjusted Oil Production (Mbo/d) ⁽¹⁾	208	199	Guidance reflects impacts of asset sales: U.S. oil impact: 3Q & 4Q 3.5 Mbo/d; FY24 2.0 Mbo/d U.S. BOE impact: 3Q & 4Q 11.0 Mboe/d; FY24 6.0 Mboe/d
United States Oil Production (Mbo/d).....	143	129	
Upstream Capital Investment (\$ in millions) ⁽²⁾	\$700	≤ \$2,700	
Upstream Lease Operating Expense (\$ in millions).....	\$445	\$1,675	
DD&A (\$ in millions).....	\$600	\$2,250	
General & Administrative Expense (\$ in millions).....	\$110	\$400	
Gathering, Processing & Transmission Expense (\$ in millions).....	\$120	\$440	
Net Gain (Loss) on Oil and Gas Purchases and Sales (\$ in millions) ⁽¹⁾	\$120	\$350	FY24 raised \$120MM from previous guidance issued in May
North Sea Current Tax Expense (\$ in millions) ⁽¹⁾	\$15	\$285	
United States Current Tax Expense (\$ in millions) ⁽¹⁾	\$50	\$95	

(1) Guidance based off 7/26/2024 strip pricing assumptions (\$82.89 Brent; \$2.28 Henry Hub).

(2) Refer to glossary of referenced terms for definition of Upstream Capital Investment.

2Q 2024 Asset Update





Differentiated Large Cap Independent with Diverse Asset Base

2Q 2024 Global Portfolio





Global

	473,409 BOE/D Reported Production		54% / 17% / 29% Oil / NGL / Gas
	82 Gross, 77 Net Drilled & Completed Wells		26 Average Rigs

United States

	303,416 BOE/D Reported Production
	46% / 26% / 28% Oil / NGL / Gas
	60 Gross, 55 Net Drilled & Completed Wells
	11 Average Rigs (Permian)

International

	169,993 BOE/D Reported Production
	67% / 1% / 32% Oil / NGL / Gas
	22 Gross, 22 Net Drilled & Completed Wells
	15 Average Rigs (Egypt)



Permian

Short-cycle asset base with predictable oil production and capital productivity; Strong free cash flow generation

Egypt

PSC structure is more resilient to downside oil price volatility; Strong free cash flow generation

North Sea

Harvesting free cash flow with portfolio optionality

Suriname

Progressing differentiated large-scale organic oil opportunity; Additional exploration opportunities

Alaska / Uruguay

Recent entries offer large-scale exploration upside over time

Permian Update

Asset Highlights

- Callon integration and cost synergy realization ahead of schedule
- Strong Permian execution drove 2Q24 U.S. oil volumes above guidance
 - 6th consecutive quarter of meeting or exceeding U.S. oil volumes
- Averaged 6 rigs in the Midland Basin and 5 rigs in the Delaware Basin
- 2H24 oil guidance increased after adjusting for 3.5 Mbo/d of divestitures
 - Closed Midland Basin Minerals and East Texas non-core asset sales in June for aggregate net proceeds of ~\$660 million, after closing adjustments
- Expect material uplift in capital productivity on legacy Callon assets in 2025
 - APA planned, designed, drilled and completed wells begin to come online in 4Q24

2Q 2024 U.S. Stats



303,416 BOE/D
Reported Production



46% / 26% / 28%
Oil / NGL / Gas

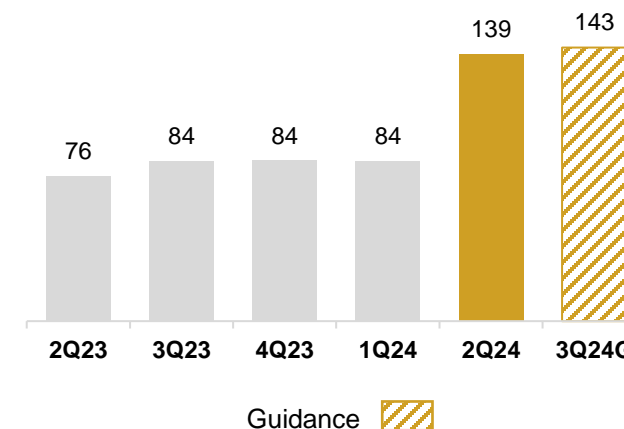


60 Gross, 55 Net
Drilled & Completed Wells



11
Avg Rigs

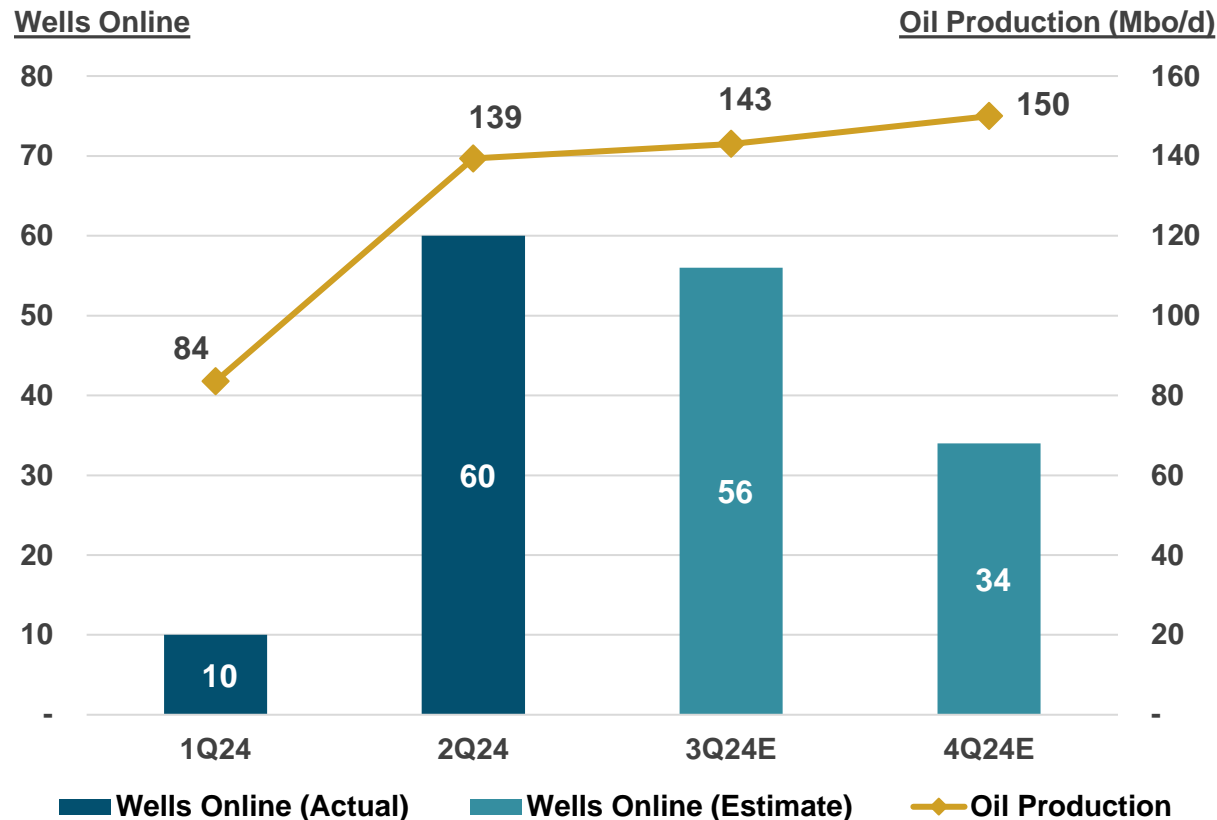
Net U.S. Oil Production, MBO/D



2024 Permian Activity Cadence

Closed acquisition of Callon Petroleum on April 1, 2024

Permian Wells Online vs. U.S. Oil Production



- Second-half production growth led by 2Q / 3Q well connections
- Plan to average 9-10 Permian drilling rigs and 3-4 frac crews in 2H24
- ~5 rigs in the Delaware Basin, ~4 rigs in the Midland Basin

Expect Permian capital to decline in 4Q24

Egypt Update

Asset Highlights

- Gross oil production of 139.5 Mbo/d exceeded expectations on strong performance from new wells, recompletions and base production management
 - Base production benefitted from increased water injection response
 - At the end of the second quarter, the backlog of oil offline was approximately 5,000 gross barrels per day above historical averages
- Expect further progress returning backlogged oil volumes to production in 2H24
 - Rig count reduction enables workover fleet to focus on high value recompletions and base production workovers
- Adjusted oil production expected to remain relatively flat through year-end 2024
 - Averaged 16 rigs in 1H24 and plan to average 11 rigs in 2H24

2Q 2024 Asset Stats



133,215 BOE/D
Reported Production



66% / 0% / 34%
Oil / NGL / Gas

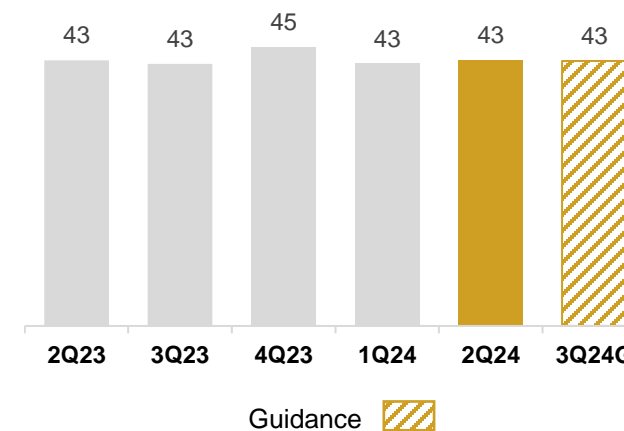


22 Gross, 22 Net
Drilled & Completed Wells



15
Avg Rigs

Adjusted Oil Production, MBO/D



North Sea Update

Asset Highlights

- Second-quarter production ahead of guidance as facility runtimes were better than forecasted
- Lengthy platform maintenance turnarounds scheduled during 3Q24
 - Full production expected to resume by the fourth quarter
- Portfolio of technically attractive drilling prospects that are not currently economic under U.K. EPL tax framework

2Q 2024 Asset Stats



36,778 BOE/D

Reported Production



72% / 4% / 24%

Oil / NGL / Gas



0 Gross, 0 Net

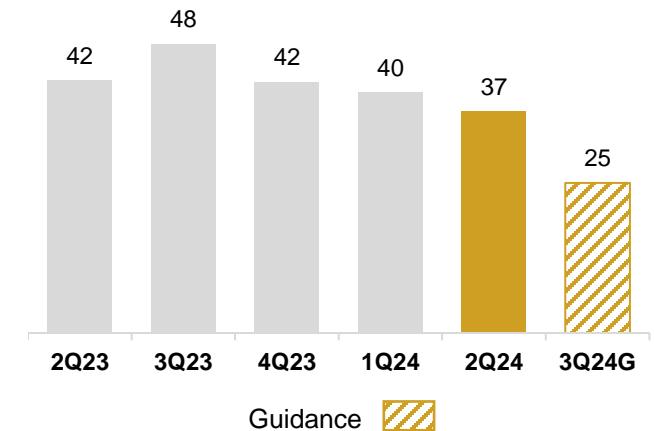
Drilled & Completed Wells



0

Avg Rigs

Net Production, MBOE/D



Exploration Portfolio Update

Suriname (Block 58)

- FPSO hull secured for 200,000 barrel per day development project
- Field development area agreed upon by partners and government
- Remain on-track for FID by year-end 2024 and first oil by 2028

Alaska (Lagniappe JV)

- Planning for additional exploration after high quality oil discovery at King Street #1
- Added 51,000 gross acres, bringing total lease position to 326,000 gross acres entirely situated on state lands



Appendix

Cash Return Summary

	1Q 2024	2Q 2024	2021	2022	2023	2024 YTD 6/30/24	Total
Shares Repurchased (MM)	3.0	1.5	31.2	36.2	8.7	4.5	80.6
Average Stock Repurchased Price	\$33.27	\$28.72	\$27.14	\$39.34	\$37.81	\$31.77	\$34.02
Share Repurchases (\$MM)	\$100	\$43	\$847	\$1,423	\$329	\$143	\$2,742
Dividends (\$MM)	\$76	\$92	\$52	\$207	\$308	\$168	\$735
Total Cash Return (\$MM)	\$176	\$135	\$899	\$1,630	\$637	\$311	\$3,477
Free Cash Flow (\$MM)	\$99	\$103	\$1,823	\$2,458	\$965	\$202	\$5,448
% Free Cash Flow Returned	178%	131%	49%	66%	66%	154%	64%
Total Bond Debt Reduction (\$MM)	--	--	(\$1,708)	(\$1,436)	(\$74)	--	(\$3,218)

Upstream Capital Investment

(\$ in millions)	1Q 2024	2Q 2024	Total
United States*	\$419	\$665	\$1,084
Egypt (excluding noncontrolling interest)	\$137	\$133	\$270
North Sea	\$6	\$16	\$22
Suriname	\$6	\$25	\$31
Upstream Capital Investment Total	\$568	\$839	\$1,407

*United States capital includes ~\$70 million and ~\$35 million of Alaska exploration spend in the first and second quarters, respectively

Egypt Production Detail

	1Q 2024			2Q 2024		
	Oil (Bbls/d)	Gas (Mcf/d)	Boe/d	Oil (Bbls/d)	Gas (Mcf/d)	Boe/d
Gross Production	137,972	457,248	214,180	139,490	431,750	211,448
Reported Production	86,768	290,227	135,140	87,702	273,077	133,215
% Gross	63%	63%	63%	63%	63%	63%
Less: Tax Barrels	23,012	78,506	36,096	23,054	73,301	35,271
Net Production Excluding Tax Barrels	63,756	211,722	99,044	64,648	199,776	97,944
% Gross	46%	46%	46%	46%	46%	46%
Less: Noncontrolling Interest	21,252	70,574	33,015	21,549	66,592	32,648
Adjusted Production	42,504	141,148	66,029	43,099	133,184	65,296
% Gross	31%	31%	31%	31%	31%	31%

MBOE/D	2022				2023				2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Gross Production	235	235	219	233	232	227	223	220	214	211
Reported Production	150	144	134	151	147	144	139	144	135	133
Adjusted Production	68	64	62	71	71	70	66	70	66	65
Brent Oil Benchmark Pricing	\$98	\$112	\$97	\$89	\$82	\$78	\$86	\$83	\$82	\$85

Glossary of Referenced Terms

- **Upstream Capital Investment:** Includes exploration, development, gathering, processing, and transmission capital, capitalized overhead, and settled asset retirement obligations. Excludes capital investment for property acquisitions, capitalized interest, non-cash asset retirement additions and revisions, and Egypt noncontrolling interest.
- **Free Cash Flow:** Cash flow from operations before changes in operating assets and liabilities (including Egypt minority interest and KNTK cash dividends)
 - **Minus:**
 - Upstream Capital Investment (including Egypt minority interest)
 - Non-oil and gas capital investment
 - Distributions to noncontrolling interest (Egypt)
 - Non-reimbursable Gulf of Mexico decommissioning costs
- In addition to the terms above, a list of commonly used definitions and abbreviations can be found in APA Corporation’s Form 10-K.



APA Exploration Portfolio

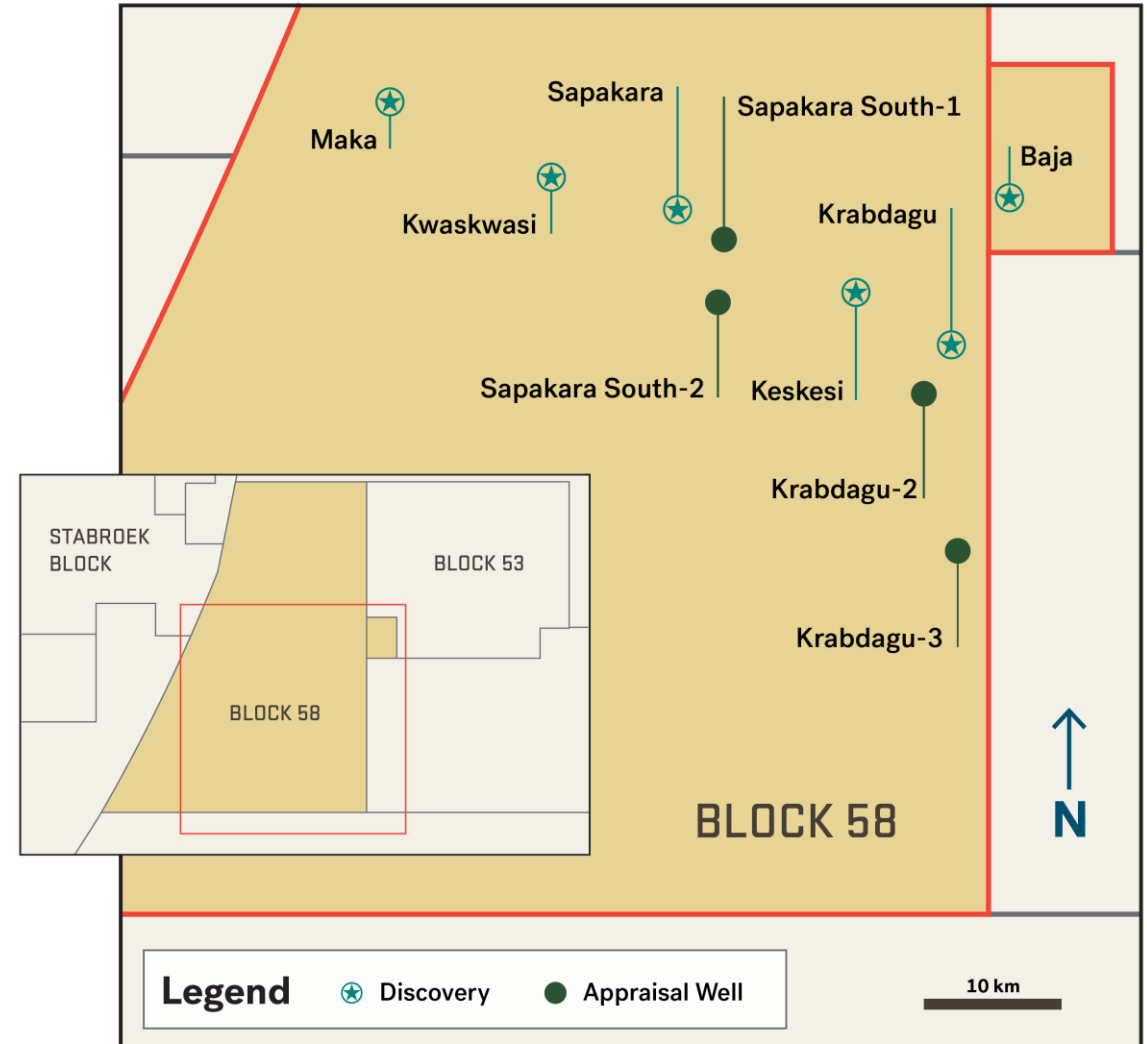
Suriname

Block 58 (TotalEnergies Operated)

- **Announced Oil Hub Project** at Sapakara and Krabdagu in Fall of 2023
 - FEED study progressing on 200 MBO/D FPSO project
 - Underpinned by an estimated 700 million barrels of recoverable oil resource at Sapakara and Krabdagu
- Targeting FID by year-end 2024

Block 53 (APA Operated)

- Assessing next steps for Baja discovery
- Relinquished most of Block 53, retained southwest portion of the block encompassing Baja



Alaska

Exploration Joint Venture (North Slope, Alaska)

- Established Joint Venture between APA (50%), Lagniappe Alaska, LLC (25%) and Santos Ltd (25%)
- 326,000 gross acre position situated on state lands
- Confirmed working petroleum system in APA's JV leasehold through a high-quality oil discovery at King Street #1



Uruguay

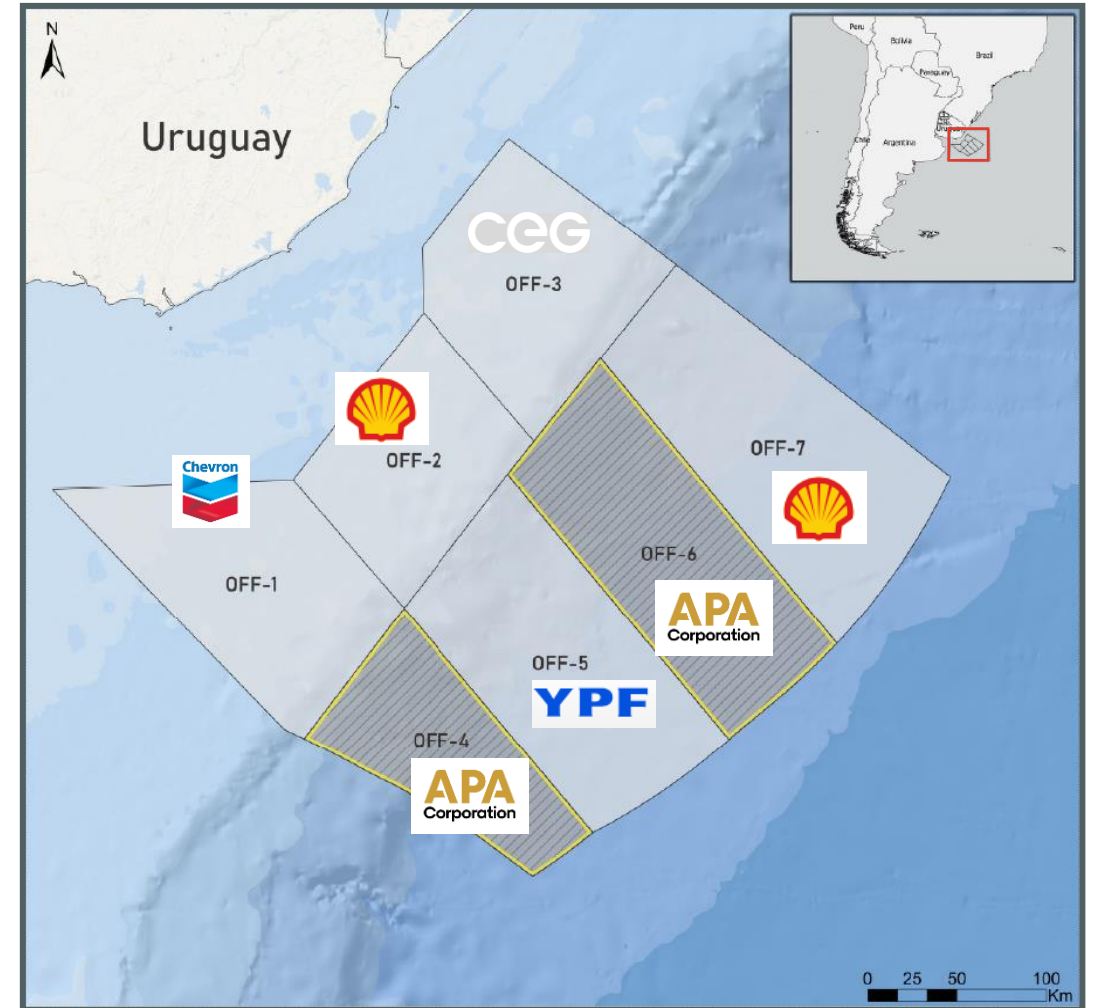
OFF-6 (100% Working Interest, APA Operated)

- 16,500 km² (~4.1 million acres)
- One exploration well obligation

OFF-4 (50% Working Interest, APA Operated)

- Working interest partner with Shell (50% / 50%)
- 10,000 km² (~2.5 million acres)
- Planning underway to conduct seismic acquisition

No drilling planned in 2024



Non-GAAP Reconciliations

Non – GAAP Reconciliation

Adjusted Earnings

Reconciliation of Income Attributable to Common Stock to Adjusted Earnings

Our presentation of adjusted earnings and adjusted earnings per share are non-GAAP measures because they exclude the effect of certain items included in Income Attributable to Common Stock. Management believes that adjusted earnings and adjusted earnings per share provides relevant and useful information, which is widely used by analysts, investors and competitors in our industry as well as by our management in assessing the Company's operational trends and comparability of results to our peers.

Management uses adjusted earnings and adjusted earnings per share to evaluate our operating and financial performance because it eliminates the impact of certain items that management does not consider to be representative of the Company's on-going business operations. As a performance measure, adjusted earnings may be useful to investors in facilitating comparisons to others in the Company's industry because certain items can vary substantially in the oil and gas industry from company to company depending upon accounting methods, book value of assets, capital structure and asset sales and other divestitures, among other factors. Management believes excluding these items facilitates investors and analysts in evaluating and comparing the underlying operating and financial performance of our business from period to period by eliminating differences caused by the existence and timing of certain expense and income items that would not otherwise be apparent on a GAAP basis. However, our presentation of adjusted earnings and adjusted earnings per share may not be comparable to similar measures of other companies in our industry.

	For the Quarter Ended				For the Quarter Ended			
	June 30, 2024				June 30, 2023			
	Before Tax	Tax Impact	After Tax	Diluted EPS	Before Tax	Tax Impact	After Tax	Diluted EPS
Net income including noncontrolling interests (GAAP)	\$ 928	\$ (308)	\$ 620	\$ 1.67	\$ 700	\$ (238)	\$ 462	\$ 1.49
Income attributable to noncontrolling interests	145	(66)	79	0.21	144	(63)	81	0.26
Net income attributable to common stock	783	(242)	541	1.46	556	(175)	381	1.23
Adjustments: *								
Asset and unproved leasehold impairments	-	-	-	-	52	(37)	15	0.05
Valuation allowance and other tax adjustments	-	-	-	-	-	(30)	(30)	(0.10)
Unrealized derivative instrument gain	(3)	1	(2)	(0.01)	(47)	9	(38)	(0.12)
Loss on previously sold Gulf of Mexico properties	17	(4)	13	0.03	-	-	-	-
Kinetik equity investment mark-to-market gain	-	-	-	-	(77)	16	(61)	(0.20)
Transaction, reorganization & separation costs	115	(17)	98	0.27	2	(1)	1	-
Gain on divestitures, net	(276)	60	(216)	(0.58)	(5)	1	(4)	(0.01)
Adjusted earnings (Non-GAAP)	\$ 636	\$ (202)	\$ 434	\$ 1.17	\$ 481	\$ (217)	\$ 264	\$ 0.85

*The income tax effect of the reconciling items are calculated based on the statutory rate of the jurisdiction in which the discrete item resides.

Non – GAAP Reconciliation

Adjusted EBITDAX

Reconciliation of Net Cash Provided by Operating Activities to Adjusted EBITDAX

Management believes EBITDAX, or earnings before income tax expense, interest expense, depreciation, amortization and exploration expense is a widely accepted financial indicator, and useful for investors, to assess a company's ability to incur and service debt, fund capital expenditures, and make distributions to shareholders. We define adjusted EBITDAX, a non-GAAP financial measure, as EBITDAX adjusted for certain items presented in the accompanying reconciliation. Management uses adjusted EBITDAX to evaluate our ability to fund our capital expenditures, debt services and other operational requirements and to compare our results from period to period by eliminating the impact of certain items that management does not consider to be representative of the Company's on-going operations. Management also believes adjusted EBITDAX facilitates investors and analysts in evaluating and comparing EBITDAX from period to period by eliminating differences caused by the existence and timing of certain operating expenses that would not otherwise be apparent on a GAAP basis. However, our presentation of adjusted EBITDAX may not be comparable to similar measures of other companies in our industry.

	(\$ in millions)		
	For the Quarter Ended		
	June 30,	March 31,	June 30,
	2024	2024	2023
Net cash provided by operating activities	\$ 877	\$ 368	\$ 1,000
Adjustments:			
Exploration expense other than dry hole expense and unproved leasehold impairments	30	15	14
Current income tax provision	285	300	254
Other adjustments to reconcile net income to net cash provided by operating activities	(21)	(10)	97
Changes in operating assets and liabilities	190	459	(232)
Financing costs, net	100	76	82
Transaction, reorganization & separation costs	115	27	2
Adjusted EBITDAX (Non-GAAP)	<u>\$ 1,576</u>	<u>\$ 1,235</u>	<u>\$ 1,217</u>

Non – GAAP Reconciliation

Cash Flow Before Changes in Operating Assets & Liabilities and Free Cash Flow

Reconciliation of Net Cash Provided by Operating Activities to Cash Flows from Operations before Changes in Operating Assets and Liabilities and Free Cash Flow

Cash flows from operations before changes in operating assets and liabilities and free cash flow are non-GAAP financial measures. APA uses these measures internally and provides this information because management believes it is useful in evaluating the company's ability to generate cash to internally fund exploration and development activities, fund dividend programs, and service debt, as well as to compare our results from period to period. We believe these measures are also used by research analysts and investors to value and compare oil and gas exploration and production companies and are frequently included in published research reports when providing investment recommendations. Cash flows from operations before changes in operating assets and liabilities and free cash flow are additional measures of liquidity but are not measures of financial performance under GAAP and should not be considered as an alternative to cash flows from operating, investing, or financing activities. Additionally, this presentation of free cash flow may not be comparable to similar measures presented by other companies in our industry.

	(\$ in millions)	
	For the Quarter Ended	
	June 30,	
	2024	2023
Net cash provided by operating activities	\$ 877	\$ 1,000
Changes in operating assets and liabilities	190	(232)
Cash flows from operations before changes in operating assets and liabilities	\$ 1,067	\$ 768
Adjustments to free cash flow:		
Upstream capital investment including noncontrolling interest - Egypt	(904)	(583)
Decommissioning spend on previously sold Gulf of Mexico properties	1	-
Non oil and gas capital investment	(8)	(8)
Distributions to Sinopec noncontrolling interest	(53)	(83)
Free cash flow	\$ 103	\$ 94

Non – GAAP Reconciliation

Segment Cash Flows

Reconciliation of Net Cash Provided by Operating Activities to Cash Flows from Continuing Operations before Changes in Operating Assets and Liabilities

Cash flows from operations before changes in operating assets and liabilities is a non-GAAP financial measure. Apache uses it internally and provides the information because management believes it is useful for investors and widely accepted by those following the oil and gas industry as a financial indicator of a company's ability to generate cash to internally fund exploration and development activities, fund dividend programs, and service debt. It is also used by research analysts to value and compare oil and gas exploration and production companies and is frequently included in published research when providing investment recommendations. Cash flows from operations before changes in operating assets and liabilities, therefore, is an additional measure of liquidity but is not a measure of financial performance under GAAP and should not be considered as an alternative to cash flows from operating, investing, or financing activities.

	For the Quarter			
	Ended June 30, 2024			
	<u>North Sea</u>	<u>Egypt</u>	<u>U.S. and Other</u>	<u>Consolidated</u>
	<i>(\$ in millions)</i>			
Net cash provided by operating activities	\$ 117	\$ 343	\$ 417	\$ 877
Changes in operating assets and liabilities	(72)	69	193	190
Cash flows from operations before changes in operating assets and liabilities	<u>\$ 45</u>	<u>\$ 412</u>	<u>\$ 610</u>	<u>\$ 1,067</u>

Non – GAAP Reconciliation

Net Debt

Reconciliation of Debt to Net Debt

Net debt, or outstanding debt obligations less cash and cash equivalents, is a non-GAAP financial measure. Management uses net debt as a measure of the Company's outstanding debt obligations that would not be readily satisfied by its cash and cash equivalents on hand.

	(\$ in millions)			
	<u>June 30, 2024</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Current debt	\$ 2	\$ 2	\$ 2	\$ 2
Long-term debt	<u>6,741</u>	<u>5,178</u>	<u>5,186</u>	<u>5,582</u>
Total debt	6,743	5,180	5,188	5,584
Cash and cash equivalents	160	102	87	95
Net debt	<u>\$ 6,583</u>	<u>\$ 5,078</u>	<u>\$ 5,101</u>	<u>\$ 5,489</u>

Non – GAAP Reconciliation

Upstream Capital Investment

Reconciliation of Costs Incurred to Upstream Capital Investment

Management believes the presentation of upstream capital investments is useful for investors to assess APA's expenditures related to our upstream capital activity. We define capital investments as costs incurred for oil and gas activities, adjusted to exclude property acquisitions, asset retirement obligation revisions and liabilities incurred, capitalized interest, and certain exploration expenses, while including amounts paid during the period for abandonment and decommissioning expenditures. Upstream capital expenditures attributable to a one-third noncontrolling interest in Egypt are also excluded. Management believes this provides a more accurate reflection of APA's cash expenditures related to upstream capital activity and is consistent with how we plan our capital budget.

	(\$ in millions)	
	For the Quarter Ended	
	June 30,	
	2024	2023
Costs incurred in oil and gas property:		
Asset and leasehold acquisitions	\$ 4,493	\$ 5
Exploration and development	933	590
Total Costs incurred in oil and gas property	\$ 5,426	\$ 595
Reconciliation of Costs incurred to Upstream capital investment:		
Total Costs incurred in oil and gas property	\$ 5,426	\$ 595
Property acquisitions	(4,492)	-
Asset retirement obligations settled vs. incurred - oil and gas property	7	7
Capitalized interest	(7)	(5)
Exploration seismic and administration costs	(30)	(14)
Upstream capital investment including noncontrolling interest - Egypt	\$ 904	\$ 583
Less noncontrolling interest - Egypt	(65)	(67)
Total Upstream capital investment	\$ 839	\$ 516



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