



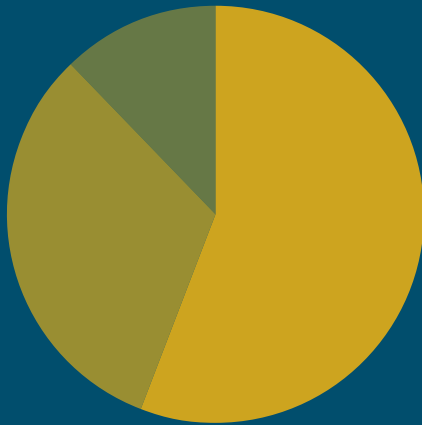
A Global Platform for Discovery

2018 Summary Annual Report

Apache



2018 Operational Overview



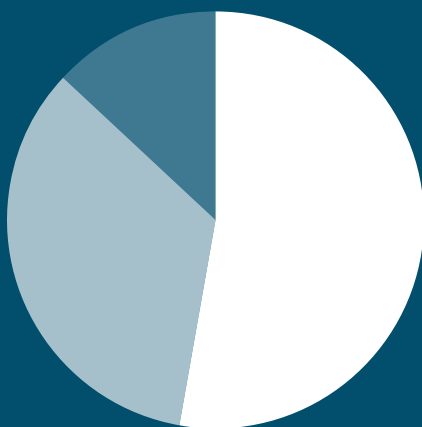
Production

● United States	56%
● Egypt	32%
● United Kingdom	12%



Total Estimated Proved Reserves

● United States	72%
● Egypt	17%
● United Kingdom	11%

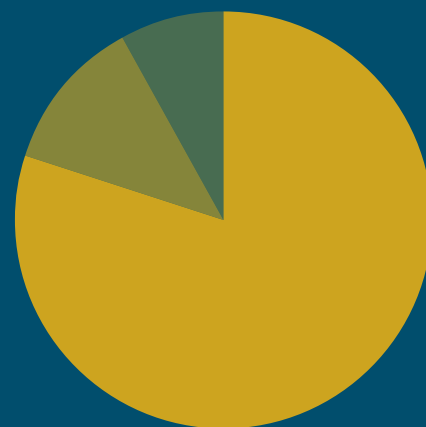


Production by Product

● Oil	53%
● Natural Gas	34%
● NGLs	13%

466 Mboe/d

Total Production



Revenue by Product

● Oil	80%
● Natural Gas	12%
● NGLs	8%

\$7.35 Billion

Total Oil and Gas Revenue

305

Oil and NGL Production (Mbbbl/d)

966

Natural Gas Production (MMcf/d)

1,234

Proved Reserves (MMboe)

	Oil and NGL Production (Mbbbl/d)	Natural Gas Production (MMcf/d)
United States	162	593
Egypt	95	327
United Kingdom	48	46

	Proved Reserves (MMboe)	Gross Acreage* (in thousands)
United States	892	6,484
Egypt	205	6,166
United Kingdom	137	431
Other International	–	2,308

*Developed and undeveloped

A Global Platform for Discovery

Apache has established a global platform for discovery – the collective efforts of our talented teams have resulted in a deep inventory of development locations in each of our key operating areas, and our exploration strategy will ensure new discoveries that will propel shareholder returns for years to come.

Fellow Shareholders,

Strong execution across Apache's portfolio in 2018 resulted in our best financial performance in four years and put us in an excellent position for long-term value creation. We have a tremendous opportunity set with a deep inventory of development locations in each of our key operating areas and exciting exploration prospects both onshore and offshore. Apache is committed to delivering long-term returns and profitable growth that is competitive with large-cap companies both inside and outside of our industry. We are confident in our ability to achieve this through the cycle, while generating positive free cash flow and returning capital to investors.



John E. Lowe
Chairman of the Board



John J. Christmann IV
Chief Executive Officer and President

Key 2018 Highlights

- Grew Permian oil production 17 percent and total adjusted production 13 percent over 2017.
- Increased well productivity throughout the Permian Basin and reduced drilling and completions costs, offsetting many of the inflationary pressures of 2018.
- Formed Altus Midstream Company, an entity capable of independently funding ongoing midstream investments at Alpine High.
- Discovered the Garten Field in the North Sea in March 2018 and realized first oil in November, which increased our daily North Sea production to its highest level in two years.
- Received three concession awards in Egypt since mid-2017, comprising 2.2 million acres adjacent to our existing operational footprint and made tremendous progress on our large-scale, broadband, 3-D seismic acquisition and new prospect identification program.
- Completed a comprehensive petroleum system assessment offshore Suriname, identifying multiple play concepts and mapping more than 50 significant drill-ready prospects on Block 58, which Apache owns 100 percent.
- Increased cash flow from operations 56 percent year over year, achieved cash return on invested capital that exceeded our plan target of 18 percent, and returned nearly \$1 billion, or 25 percent, of our cash flow from operations to investors through dividends, share repurchases and debt reduction.

Looking Ahead

We will continue to allocate capital with an objective of balancing near-term cash flow generation and sustainable, long-term returns. We are committed to maintaining capital discipline and will return at least 50 percent of any free cash flow generated above plan to our investors.

Our outlook for 2019 underscores the strength of Apache's prior investments and diversified portfolio, as we plan to reduce upstream investment by 22 percent from 2018, while still delivering attractive production growth.

In the Permian Basin, we have made tremendous improvements in efficiency and productivity over the last three years. We are now producing at record levels, both in terms of total production and oil volumes, and we have accomplished this with far fewer rigs and significantly less capital than deployed during our prior production peak in late 2014.

In 2019, we are looking forward to a successful oil drilling program in the Midland Basin where we will leverage our existing infrastructure as well as our recent productivity gains to deliver strong returns and profitable growth.

At our Alpine High development, the creation of Altus Midstream in 2018 established an entity capable of funding all future Alpine High midstream investments and is enabling Apache to maintain control of the midstream infrastructure buildout in the area.

\$7.35 Billion

Oil and Gas Revenue

\$3.75 Billion

Oil and Gas Capital Investment²

466 Mboe/d

Reported Production

395 Mboe/d

Adjusted Production¹

\$4.87 Billion

Adjusted EBITDAX²

\$0.11

Diluted Earnings Per Share

\$1.77

Adjusted Earnings Per Share^{2,3}

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

²⁾ For a reconciliation to the most directly comparable GAAP financial measure, please refer to our fourth-quarter 2018 earnings release.

³⁾ Includes \$(0.24) per share of dry hole expense (net of tax).

Construction is ahead of schedule on three new cryogenic plants with a total of 600 million cubic feet per day of nameplate processing capacity to support natural gas liquids production in the play. With all three plants scheduled to come online in 2019, we will realize a significant uplift in cash margins and cash flow generation. After several years of upfront investment, Apache is well-positioned to deliver value on this vast resource play for many years to come.

Internationally, Egypt and the North Sea continue to serve as the cornerstones of our global portfolio, generating significant free cash flow for Apache.

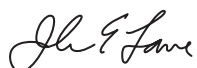
This year, we will maintain our investment level and pace in the North Sea. In the Beryl area, we plan to bring the Storr discovery online and spud a second well at Garten, while our focus in the Forties Field will be on our waterflood and base production management program.

In Egypt, we continue our advanced, large-scale seismic shoot, from which a substantial number of attractive new targets have been identified thus far. We have begun drilling exploration and delineation wells in each of our new concession areas, thereby laying the foundation for potential future growth.

Offshore Suriname, Apache owns 100 percent of Block 58, a truly world-class opportunity. We have completed a substantial geologic and geophysical evaluation of the block, which comprises 1.44 million acres and has a large number of high-quality prospects across multiple different play concepts. We look forward to spudding our first well in the block around mid-2019.

Overall, Apache can continue to deliver attractive and sustainable growth for many years under a reduced activity set, due to our high-quality, diversified portfolio, relatively low base production decline rate and continuous focus on improving capital investment efficiency. We have established a global platform for discovery and have a talented team hard at work identifying new potential exploration opportunities as we think about our long-term growth strategy. With a strong 2018 behind us, Apache has great momentum transitioning into 2019. We are executing on our strategy to sustain our international businesses for long-term free cash flow generation and focusing growth investment in the Permian Basin.

We thank you for your continued support and investment.



John E. Lowe
Chairman of the Board



John J. Christmann IV
Chief Executive Officer and President



Our Exploration Advantage

A Global Platform for Discovery

Over the past five years, Apache has sharpened its focus on exploration and significantly enhanced its technical capabilities, furthering its transition from an acquire and exploit model. Our strategy is to seek high-impact, large-scale plays with a relatively low cost of entry.



United States



United Kingdom



Egypt

We have built the technical team, process discipline and tools to execute on that strategy. Our work has produced a tremendous set of opportunities that give us excellent optionality for the future — an array of short-term and long-term, U.S. and international, conventional and unconventional prospects. We view industry-leading exploration as a critical component in our strategy to deliver competitive shareholder returns over the long term.

United States Our strategy in the United States is to expand our portfolio through organic growth opportunities at a low entry cost. We are seeking oil-focused, highly scalable opportunities in the Lower 48 capable of delivering superior full-cycle economics. Our onshore unconventional exploration teams have been generating play concepts and actively acquiring low-cost acreage in multiple basins. This approach has resulted in a portfolio of numerous projects in various phases of data collection and evaluation.

United Kingdom Since acquiring the Forties Field in 2003 and the Beryl Area in 2011, Apache has maintained an inventory of North Sea exploration and development prospects through the acquisition and interpretation of 3D and 4D seismic data. Here, we look for resources that can be developed quickly by tying into existing infrastructure, as evidenced by our Garten discovery, which we brought online in late November 2018, only eight months after discovery. Garten's cumulative production exceeded 1.5 million barrels of oil and 2 billion cubic feet of natural gas as of mid-April 2019.

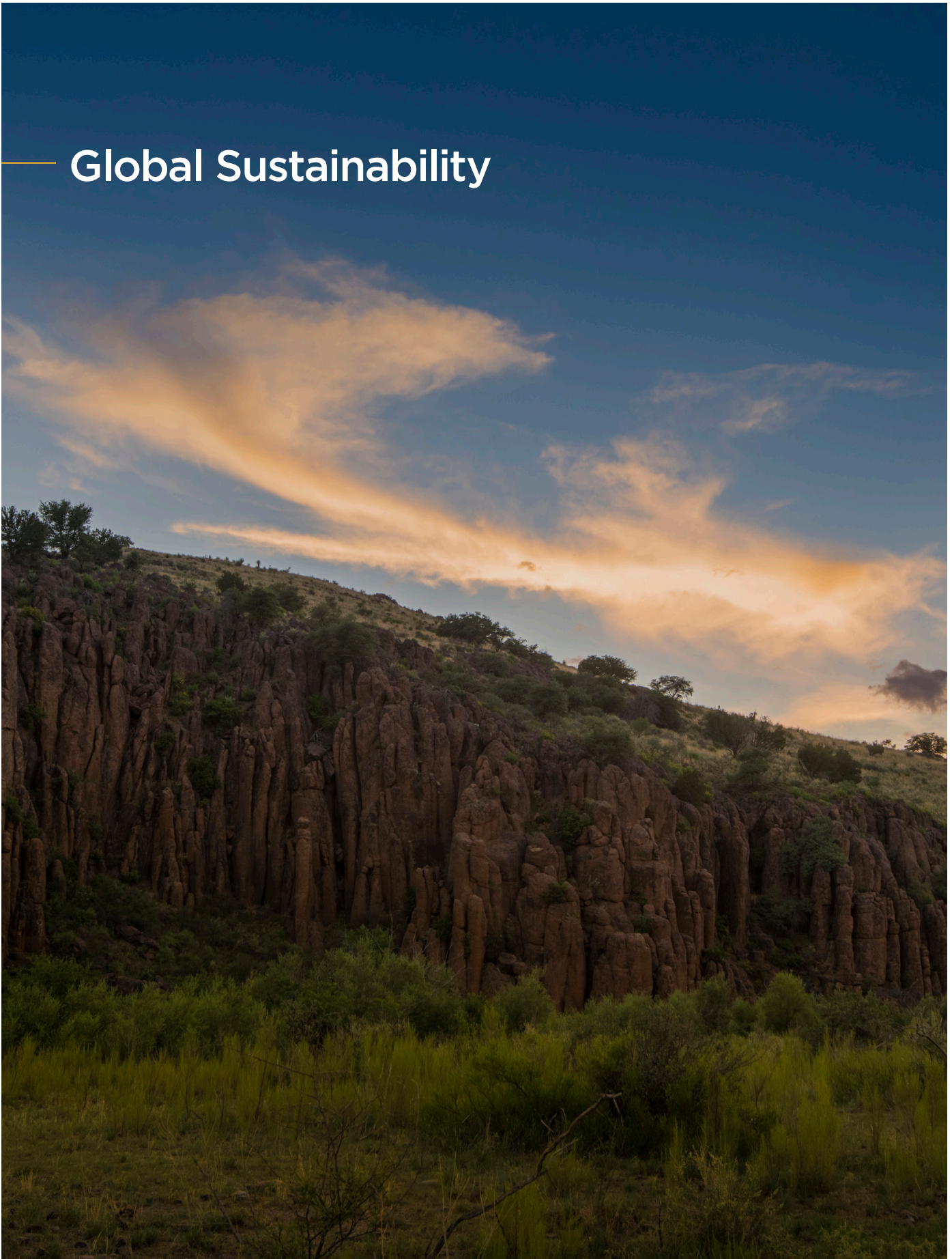
We also have a portfolio of lower tertiary prospects that represent a higher risk/higher reward opportunity than our traditional North Sea activities. The North Sea Region plays a strategic role in Apache's portfolio by providing competitive investment opportunities and potential reserve upside with high-impact exploration potential.

Egypt Apache is the largest acreage holder in Egypt's Western Desert and the largest oil producer in the country. Approximately 69 percent of this acreage is undeveloped, providing considerable exploration opportunities for the future. An important component of our future success in Egypt is an ongoing, state-of-the-art 3D seismic acquisition initiative covering 1.25 million acres that will enable our technical teams to more effectively high-grade existing prospects and identify new targets across multiple pay horizons in the Cretaceous, Jurassic and deeper Paleozoic formations.

We've recently completed two new seismic acquisition programs of about 2,000 square kilometers each and are currently shooting a third survey of approximately 4,500 square kilometers in one of our new concessions. These are the highest data density and highest resolution surveys ever acquired in Egypt's Western Desert, and we believe this will uncover numerous meaningful opportunities to grow future oil production on both new and legacy acreage.

Suriname In Suriname, we continue to progress our technical evaluation of Block 58 and Block 53, where we have identified, mapped and ranked a multitude of large prospects. Block 58, which Apache owns 100 percent, is a world-class opportunity. This block is adjacent to the ExxonMobil-operated Stabroek block in neighboring Guyana and is on trend with numerous oil discoveries. We have completed a 3D seismic acquisition program and conducted a substantial geologic and geophysical evaluation of Block 58. Results show a large number of high-quality prospects across multiple different play concepts, and we plan to drill at least one exploration well in 2019.

Global Sustainability



We at Apache believe that the best way to build a sustainable future is to deliver profitable, long-term growth in a way that protects and enhances the safety and health of our employees, our communities and the environment.



Water Recycled/Reused

47% total volume recycled or reused as a percentage of withdrawals^{1,2}



Mitigating Methane Emissions

22% decrease in methane emissions intensity since 2013¹



Emphasizing Safety

50% decrease in workforce Days Away, Restricted or Transferred Rate since 2013^{1,3}



Hiring Locally

97% of employees are local nationals companywide¹

⁽¹⁾ Data as of December 31, 2017.

⁽²⁾ Recycled and reused water is defined as water used for a new or similar purpose. This includes water used for secondary recovery or enhanced oil recovery.

⁽³⁾ Workforce rate includes Apache employees and contractors.

To do this, we focus on developing innovative operational approaches that deliver environmental, social and financial returns.

Our efforts as a responsible operator span diverse aspects of our operations including responsible water use, methane emission mitigation strategies and business practices that promote local hiring and community engagement.

Apache is an industry leader in developing innovative ways to recycle water from our operations. Recycling water lowers costs, reduces the use of fresh water and lessens the environmental and safety risks associated with water trucking and disposal. The research we've put into water treatment systems and processes have helped us develop new ways to treat produced water efficiently, economically and safely. For example, as of December 2018, 95 percent of the water used for drilling and completions in our Alpine High play was recycled or nonpotable.

Apache is a charter member of the ONE Future Coalition. This industry group works with companies across the natural gas value chain to develop and implement voluntary programs with the goal of reducing methane losses to less than 1 percent of total methane production from the wellhead to the ultimate point of use. We're on track to meet an upstream sector emissions target of 0.36 percent or less of gross methane production by the year 2025.

We prioritize investing in people and providing employment opportunities where we operate. Local nationals comprise 97 percent of Apache employees companywide. We also actively engage with stakeholders in our communities to understand their concerns and needs, minimize the potential for negative impacts and maximize our positive contributions.

We are committed to being a good neighbor, which means we take the time to listen. Apache operates in numerous communities around the world, each with its own characteristics, culture and needs. We focus on developing positive relationships by treating those who live and work in these communities with dignity and respect.

Sustainable business practices are integral to Apache's continued success. This is how we create long-term, differential returns for our shareholders and lasting benefits for all stakeholders. Through rigorous plans and policies for operations and active engagement with the community, we are demonstrating that corporate financial objectives can coexist with environmental and social commitments.

To learn more about how Apache is innovating to improve our sustainability performance, view Apache's full 2018 Sustainability Report, available for download at www.apachecorp.com/sustainability.

2018 Performance Summary

Financial Summary

(Dollars in millions, except per share data)

Year ending December 31	2018	2017	2016
Oil and Gas Production Revenues	\$ 7,348	\$ 5,887	\$ 5,367
Income (Loss) from Continuing Operations Attributable to Common Shareholders	\$ 40	\$ 1,304	\$ (1,372)
Diluted Net Income (Loss) from Continuing Operations per Common Share	\$ 0.11	\$ 3.41	\$ (3.62)
Net Cash Provided by Continuing Operating Activities	\$ 3,777	\$ 2,428	\$ 2,453
Changes in Operating Assets and Liabilities	\$ 245	\$ (320)	\$ 153
Cash Flows from Continuing Operations before Changes in Operating Assets and Liabilities*	\$ 3,532	\$ 2,748	\$ 2,300
Total Assets	\$ 21,582	\$ 21,922	\$ 22,519
Long-term Debt	\$ 8,054	\$ 7,934	\$ 8,544
Total Equity	\$ 8,812	\$ 8,791	\$ 7,679
Cash Dividends Declared per Common Share	\$ 1.00	\$ 1.00	\$ 1.00

Operational Summary

Total Capital Expenditures (including acquisitions, gas gathering, transmission and processing facilities and capitalized interest)	\$ 4,095	\$ 3,438	\$ 1,791
Natural Gas Production (MMcf/d)	966	958	1,103
Oil and NGL Production (Mbb/d)	305	298	338
Proved Reserves (MMboe)	1,234	1,175	1,311

*Non-GAAP Financial Measure

Non-GAAP Financial Measures:

Apache's financial information includes information prepared in conformity with generally accepted accounting standards (GAAP) as well as non-GAAP information. It is management's intent to provide non-GAAP financial information to enhance understanding of our consolidated financial information as prepared in accordance with GAAP. Cash flows from continuing operations before changes in operating assets and liabilities is a non-GAAP measure. This non-GAAP information should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP. For a reconciliation to the most directly comparable GAAP financial measure, please refer to our fourth-quarter 2018 earnings release. Each non-GAAP financial measure is presented along with the corresponding GAAP measure so as not to imply that more emphasis should be placed on the non-GAAP measure.

Discontinued Operations:

Unless otherwise specified, amounts attributable to revenues, earnings, and production exclude discontinued operations related to Argentina and Australia. For more information regarding Apache's discontinued operations, please see the company's Form 10-K as filed with the Securities and Exchange Commission.

Forward-Looking Statements:

This summary annual report 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," "projects," "will," 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 2018 Form 10-K as 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 summary annual report 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.

Since 1954, Apache has built a team unified by our values, our commitment to building shareholder value and our culture, which empowers every employee to make decisions and achieve the company's goals. Our global team is brought together by a sense of ownership and the knowledge that the best answers win.

Our VISION is to be the premier exploration and production company, contributing to global progress by helping meet the world's energy needs.

Our MISSION is to grow in an innovative, safe, environmentally responsible and profitable manner for the long-term benefit of our stakeholders.

Our STRATEGY is to take a differentiated approach to the exploration and production of cost-advantaged hydrocarbons through innovation, technology, optimization, continuous improvement and relentless focus on costs to deliver top-tier, long-term returns.

Our CORE VALUES are:

- Expect top performance and innovation;
- Seek relentless improvement in all facets;
- Drive to succeed with a sense of urgency;
- Safety is not negotiable and will not be compromised;
- Invest in our greatest asset: our people;
- Foster a contrarian spirit;
- Treat our stakeholders with respect and dignity;
- We derive benefit from the Earth and take our environmental responsibility seriously; and
- Conduct our business with honesty and integrity.

The Apache logo is written in a stylized, italicized, yellow font. It is positioned on the right side of the page, partially overlapping a large, faint, circular graphic that resembles a wellhead or a similar industrial structure.

Apache's Website: www.apachecorp.com

Apache's website provides additional company and financial data, including:

- Profiles and maps of the company's worldwide operations: www.apachecorp.com/Operations
- Background on Apache's mission and values, governance, management and history: www.apachecorp.com/About
- Latest news, updates and articles, and a photo and video gallery: www.apachecorp.com/News
- Apache stock information, market data, investor presentations and financial news: www.apachecorp.com/Investors
- Career opportunities: www.apachecorp.com/Careers

Apache's Social Media Sites

- LinkedIn: www.linkedin.com/company/apache-corporation
- Instagram: www.instagram.com/apachecorporation
- Facebook: www.facebook.com/apachecorporation
- Twitter: www.twitter.com/apachecorp

Apache's Media and Investor Center

Download Apache's Media and Investor Center (MIC) mobile application for mobile access to company news, operating statistics, reports, stock and market performance, presentations, webcasts and more. Go to www.apachecorp.com.

www.apachecorp.com/ApacheMIC or go directly to the Apple App Store or Google Play.

Apache's 2018 Sustainability Report

Apache's 2018 Sustainability Report features expanded disclosure of Apache's performance in governance, economics, environmental stewardship, health and safety in the workplace, and community outreach. The report is available online at www.apachecorp.com/Sustainability.

Media and Other Stakeholder Inquiries

Members of the media and other external stakeholders are welcome to contact Apache's Communications & Public Affairs office for inquiries or other information about the company. These requests may be directed to:

Castlen Kennedy
Vice President, Communications & Public Affairs
+1 713-296-7276
media@apachecorp.com

Investor Inquiries

Shareholders, brokers, securities analysts or portfolio managers seeking information about the company are welcome to contact Apache's Investor Relations department:






Gary Clark
Vice President, Investor Relations
+1 281-302-2286
ir@apachecorp.com

APACHE CORPORATION
 2000 POST OAK BOULEVARD
 SUITE 100
 HOUSTON, TEXAS 77056-4400
 APACHECORP.COM



Environmental Benefits Statement

By using paper made with 100% post-consumer recycled content,
 the following resources have been saved.

 trees	 water	 energy	 solid waste	 greenhouse gases
1.5	120	0.6	5.3	669
fully grown	gallons	million BTU	pounds	pounds

Environmental impact estimates were made using the Environmental Paper Network Paper Calculator Version 4.0
 For more information visit www.papercalculator.org

FSC® is not responsible for any calculations on saving resources by choosing this paper.



Paper Manufactured and Printed Using
 100% Certified Renewable Electricity
 TN #: 15-5012-1079