Investor Update

May 2022

APA Corporation

Notice to Investors

Certain statements in this presentation 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 presentation. 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 presentation, 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 presentation, 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," "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.

Cautionary Note to Investors: The United States Securities and Exchange Commission (SEC) permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable, and possible reserves that meet the SEC's definitions for such terms. We may use certain terms in this presentation, such as "resource," "resource potential," "net resource potential," "potential resource," "resource base," "identified resources," "potential net recoverable," "potential reserves," "unbooked resources," "economic resources," "net resources," "undeveloped resource," "net risked resources," "inventory," "upside," and other similar terms that the SEC guidelines strictly prohibit us from including in filings with the SEC. Such terms do not take into account the certainty of resource recovery, which is contingent on exploration success, technical improvements in drilling access, commerciality, and other factors, and are therefore not indicative of expected future resource recovery and should not be relied upon. Investors are urged to consider carefully the disclosure in APA Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 available at www.apacorp.com or by writing at: 2000 Post Oak Blvd., Suite 100, Houston, Texas 77056 (Attn: Corporate Secretary). You can also obtain this report from the SEC by calling 1-800-SEC-0330 or from the SEC's website at www.sec.gov.

Certain information may be provided in this presentation 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 first quarter 2022 earnings release at www.apacorp.com and "Non-GAAP Reconciliations" of this presentation.

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APA Corporation Strategy

Foundation For Long-Term Success

- Prioritize long-term, full-cycle returns through capital allocation
- Invest to sustain/slightly grow global production from pre-pandemic levels
- Focused on immediate and actionable ESG opportunities most relevant to our industry and APA

Disciplined Financial Approach

- Return a minimum of 60% of Free Cash Flow to shareholders through a competitive ordinary dividend and share repurchases
- Aggressively manage cost structure
- Continue to strengthen the balance sheet & achieve/maintain investment grade credit ratings

Leveraging Diversified Portfolio

- Diversify risk through a balanced commodity profile and geographic pricing points
- Maintain flexibility to re-allocate capital within portfolio in response to commodity price opportunity
- Retain capability to build inventory through exploration or acquire & exploit

APA: A Differentiated E&P Opportunity

- **Robust Free Cash Flow[1] (FCF) generation and multi-year production sustainability, excluding the potential impact of Suriname**
  - Project $2.9 billion of FCF in 2022 at strip[2]
- **Industry-leading capital return framework initiated in October 2021**
  - 100% of FCF returned through share repurchases and dividends since inception (through 3/31/22)
  - Expect to return $1.8+ billion in 2022 at strip[2]
- **Diversification across multiple fronts**
  - **Play Type:** Onshore - Offshore, Conventional - Unconventional
  - **Country:** U.S., Egypt, UK, Suriname
  - **Commodity**: Exposure to all 3 streams (Oil - NGL - Gas)
  - **Price:** WTI - Brent, Waha - Henry Hub, UK NBP, Int'l LNG (upon start of Cheniere contract)
  - **Exploration:** Short-Cycle (Egypt - North Sea), Long-Term Growth Potential (Suriname - Dominican Republic)
- **Strengthening Balance Sheet: < $5 billion in net debt projected by YE 2022 (at strip[2]), 16-year average bond maturity**
- **2.3 million acre position in two blocks offshore Suriname holds material production & FCF upside**

(1) Please refer to the glossary of referenced terms for the definition of Free Cash Flow.
(2) Assumes strip pricing as of 4/8/2022 ($96 WTI / $101 Brent / $5.90 HH).

2021 Performance Highlights

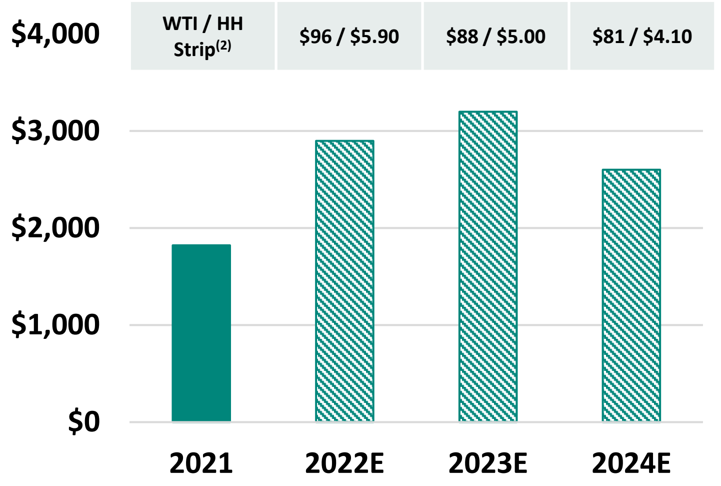
Financial	• ~$1.8 billion of Free Cash Flow[1], **among the highest in company history**
	• Initiated shareholder return framework: **minimum of 60% of Free Cash Flow to shareholders**
	  ○ **Returned ~$870 million to APA shareholders** through share buybacks & dividends in 4Q'21
	  ○ Raised dividend twice
	• **Reduced APA Net Debt[1,2] by $1.2 billion**; eliminated >20% of outstanding bonds

Portfolio	• **Modernized Egypt Production Sharing Contract (PSC)** • **Sapakara South flow test** supports progression of development in Block 58 Suriname • Announced Altus Midstream / EagleClaw combination, **creating a vehicle to monetize APA stake & deconsolidate $1.4 billion of debt and redeemable preferred units** • **Streamlined portfolio with $256 million of noncore asset sales** in the Permian Basin
ESG	• **Eliminated routine flaring onshore U.S.** ahead of schedule • Significantly **outperformed goals** for U.S. onshore flaring intensity & freshwater consumption • **Safety performance progress:** Improved DART, TRIR, SIF[3] metrics by 43%, 45%, and 60%, respectively, over 2020

(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 the definition of Free Cash Flow.
(2) Excludes Altus Midstream (ALTM).
(3) Days Away, Restricted or Transferred (DART); Total Recordable Incident Rate (TRIR); Severe Injury and Fatality Rate (SIF).

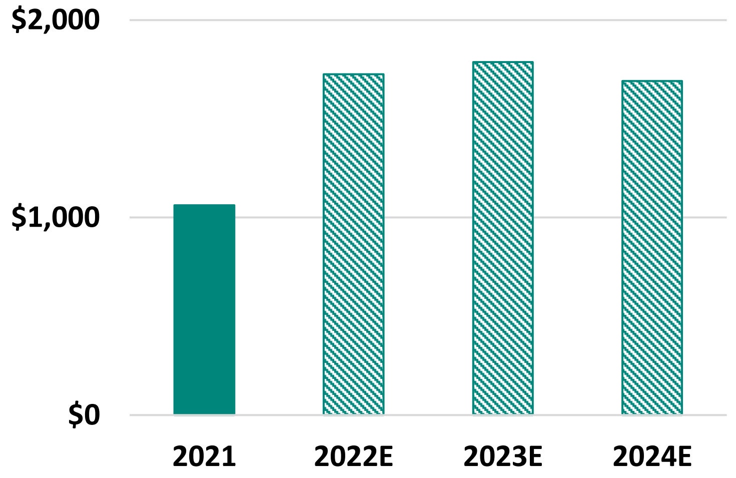
3-Year Outlook: Stable Activity & Steady Volume Growth

Free Cash Flow[1] ($MM)



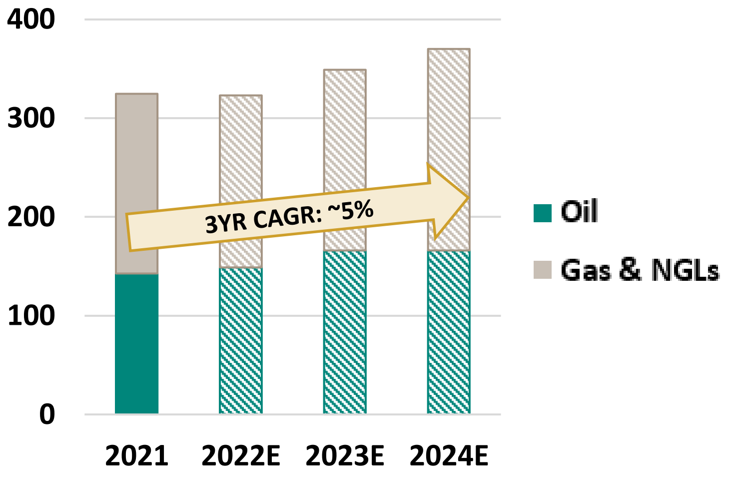
Strong Free Cash Flow Leverage to Oil Price

Upstream Capital Investment[1] ($MM)



Stable Activity Set Returns Production to Pre-Pandemic Levels

Adjusted Production[3] (Mboe/d)



Egypt Drives Moderate Oil Growth

Significant Free Cash Flow For Shareholder Return & Balance Sheet Improvements

~$8.7 billion of Free Cash Flow in 3-year outlook projected at strip pricing[2]; represents ~65% of current market cap[4]

(1) Please refer to the glossary of referenced terms for the definition of Upstream Capital Investment and Free Cash Flow.
(2) Assumes strip pricing as of 4/8/2022.
(3) Excludes production attributable to Egypt tax barrels and noncontrolling interest. Also excludes production related to asset sales of 10 Mboe/d and 2 Mboe/d for 2021 and 2022, respectively.
(4) Current market cap as of 5/11/2022.

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APA Committed to Return ≥ 60% of Free Cash Flow to Shareholders in 2022

	4Q 2021	1Q 2022
Shares Repurchased (MM)	31.2	7.2
Average Stock Price	$27.13	$36.07
Share Repurchases ($MM)	$847	$261
Dividends ($MM)	$24	$43
Total Cash Return ($MM)	$871	$304
Free Cash Flow ($MM)	$485	$675
% Free Cash Flow Returned	180%	45%
APA Upstream Total Debt Change ($MM)	$102	($964)

APA Repurchased >10% of Outstanding Shares & Eliminated $862 Million in Upstream Debt Since Inception of Capital Return Framework

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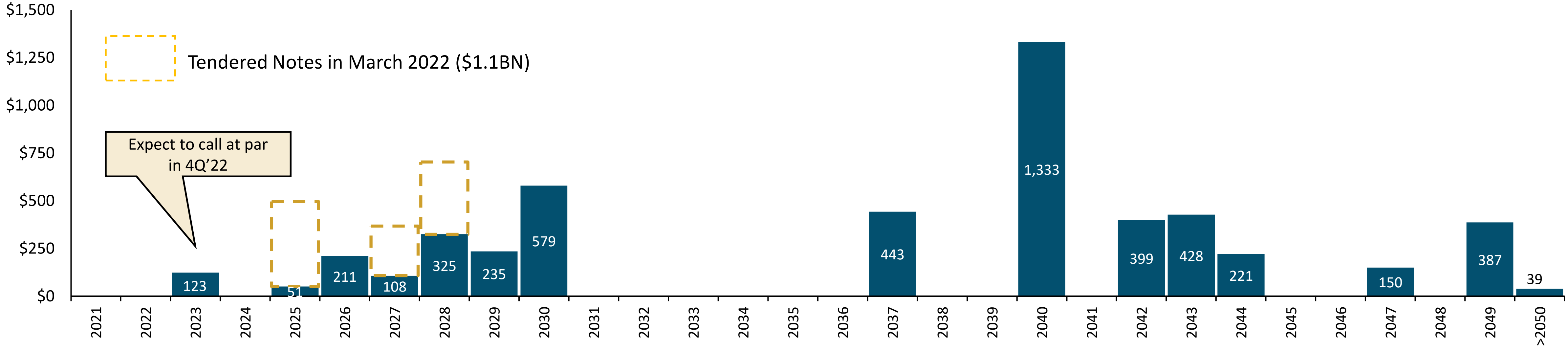
APA Debt Profile Improvement

As of March 31, 2022

	YE 2021	March 2022
Notes & Debentures[1]	$6,344MM	**$5,032MM**
Avg. Coupon	5.075%	5.255%
Avg. Maturity	13.8 Years	15.9 Years

Significant Balance Sheet De-Leveraging Actions

- $213 million (April '22 notes) called at par in January
- De-consolidated ~$1.4 billion of ALTM debt and preferred in February
- Completed $1.1 billion tender for near-term maturities in March
  - Upgraded by Fitch to Investment Grade at BBB- (Stable) in April
- Plan to call $123 million (January '23 notes) at par in 4Q'22



(1) Excludes finance lease obligations and is before unamortized discount and debt issuance costs.

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APA Assets & Operations

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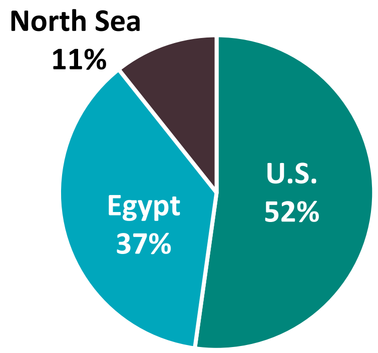
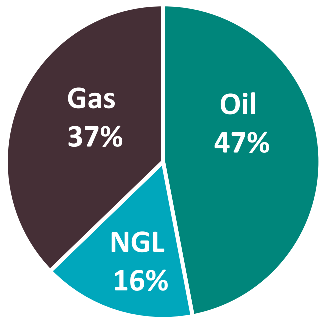
APA at a Glance: Diversified & Focused

Global Portfolio

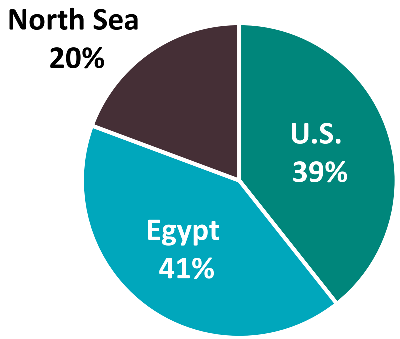
1Q'22 Reported Production



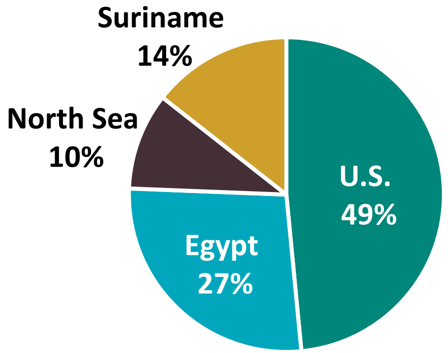
1Q'22 Commodity Mix



1Q'22 Cash Flow(1)



1Q'22 Upstream Capital



(1) Represents cash flow from operations before changes in operating assets & liabilities. For a reconciliation to the most directly comparable GAAP financial measure please refer to the Non-GAAP Reconciliations for Segment Cash Flows.

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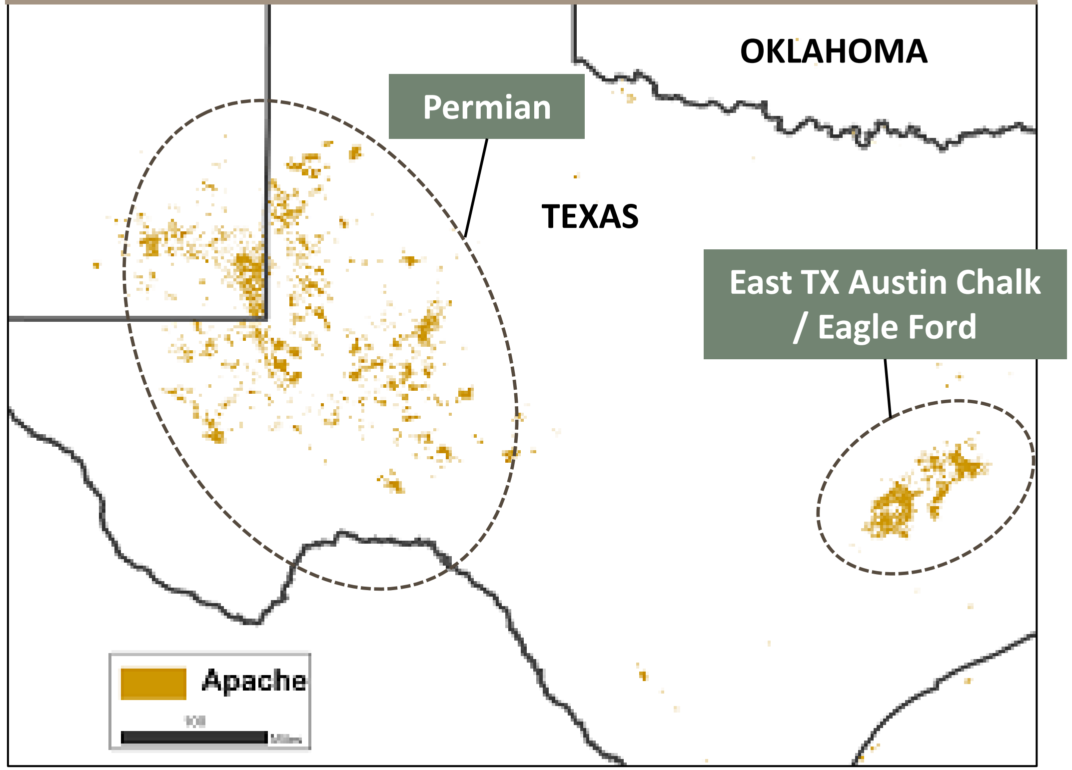
United States

- Currently running 4 rigs onshore U.S.
  - 2 rigs operating in the Southern Midland Basin drilling predominantly longer laterals (2-3 miles)
  - 1 rig operating in the Delaware Basin initially focused at DXL field; moving to Alpine High NGL & gas development in 2H 2022
  - 1 rig conducting delineation and development drilling program in the Austin Chalk
- Production volumes stabilizing & turning to a modest growth rate at 4 rig pace
- Ongoing portfolio optimization
  - Completed sale of approximately $800 million of mineral rights in the Delaware Basin in 1Q 2022

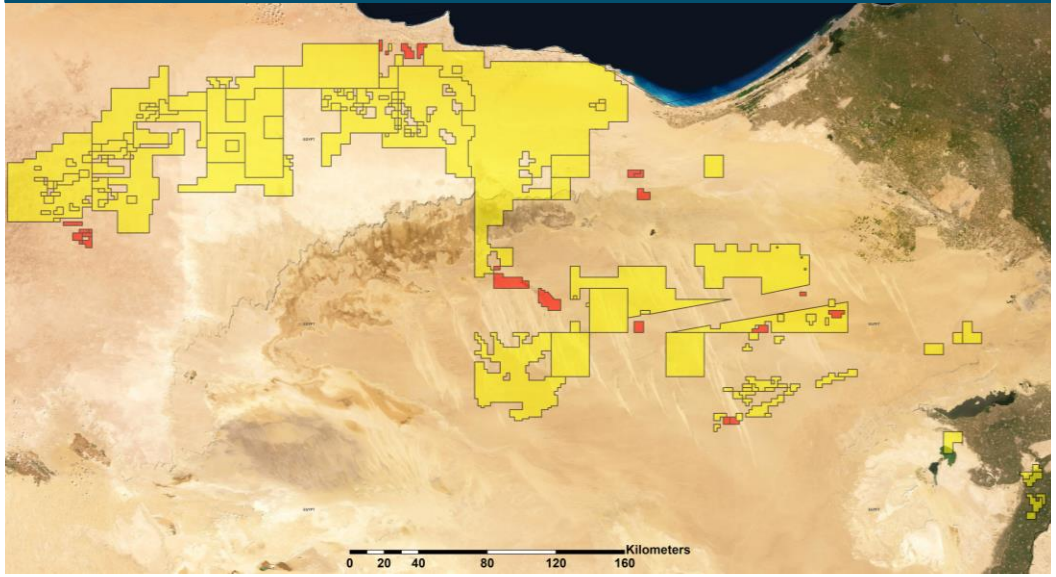
U.S. Acreage



Egypt

- Country's largest oil producer and onshore acreage holder
- Conventional drilling province with 25 year+ track record of value creation
  - Long-term drilling success rate: development 85%+ / exploration 50%+
- PSC Modernization drives value uplift for Egypt & APA
  - Cash flow[1] & adjusted production[2] uplift of 45% and 13%, respectively, in 1Q'22 on relatively flat gross production
- Returning gross production to a growth trajectory in 2022
  - Modernized PSC terms driving higher investment levels
  - Significant gross oil production uptick in April (145 mbo/d exit rate)
- On track to meet goal of 40% reduction in upstream flaring by YE'22
  - Added compression reduces flared gas & increases sales volume
  - New project at Kalabsha sources previously flared gas to generate power for Ptah wells - $15+ million per year in diesel consumption savings

Apache Egypt Acreage: ~5 million acres



Modernized Concession   Other Concessions

(1) Represents cash flow from operations before changes in operating assets & liabilities. For a reconciliation to the most directly comparable GAAP financial measure please refer to the Non-GAAP Reconciliations for Segment Cash Flows.

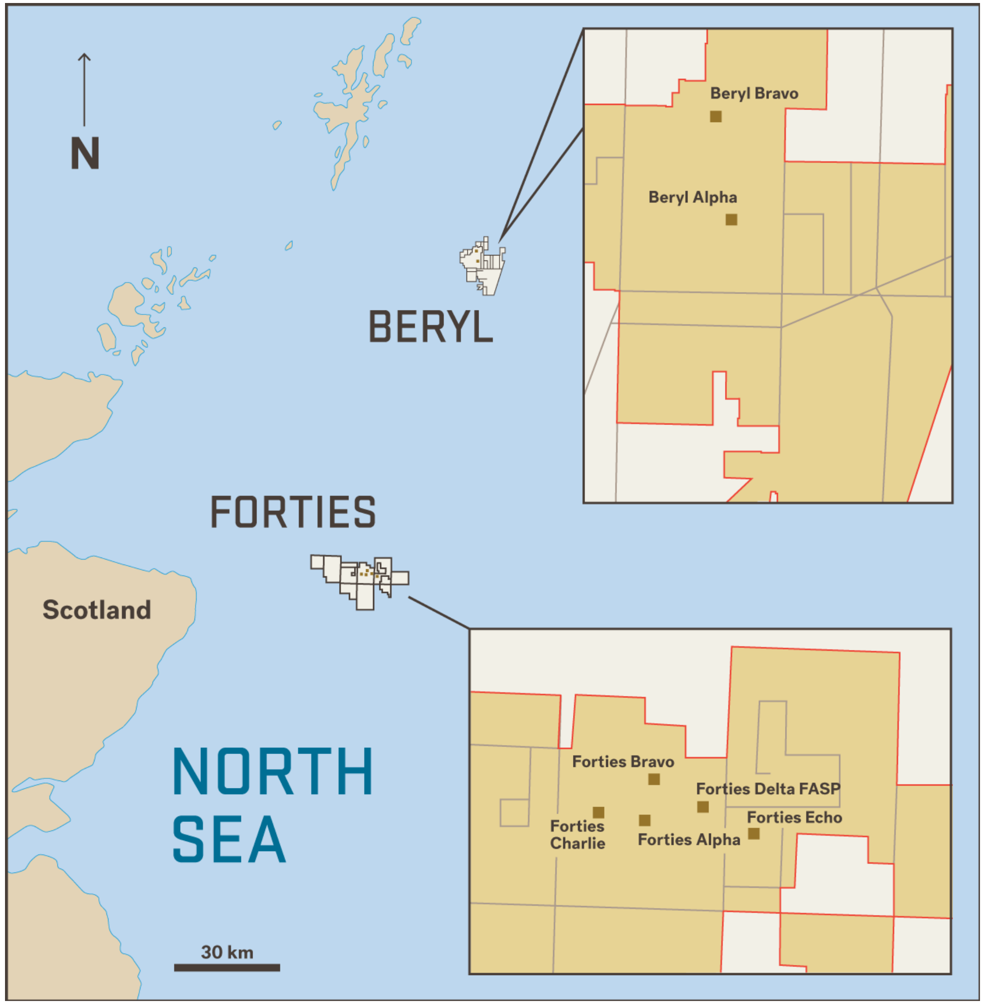
(2) Excludes production attributable to tax barrels and noncontrolling interest.

Egypt: Positive Impacts of PSC Modernization

- Doubling average drilling rig count & increasing well completions by ~3x compared with 2021
- Significant uplift in Free Cash Flow & gross oil production (projected 8-10% CAGR through 2025)
- PSC modernization upward revisions increased Egypt proved reserves by ~32% from year-end 2020 to year-end 2021
- Advancing a number of ESG initiatives focused on emissions reduction & water handling

North Sea

- Focused on sustaining production & cash flow generation capacity
  - Forties: mature waterflood, focused on mitigating declines & managing costs
  - Beryl: exploration focused, high-volume subsea tiebacks
- Planned activity set: 1 floating rig & 1 platform crew
- Anticipate 2022 production at a similar level to 2021 (44 mboe/d)
  - Scheduled maintenance turnarounds at both North Sea fields in 2Q-3Q'22
  - 4Q'22 projected to exceed 50 Mboe/d
- Produced 38 Mcf/d of gas in 1Q'22; realized $84 million uplift from exposure to NBP pricing(1)



(1) Comparison of 1Q'22 realized gas price of $32.35 per MCF and historical average realized price from 2018-2020 of $4.95 per MCF.

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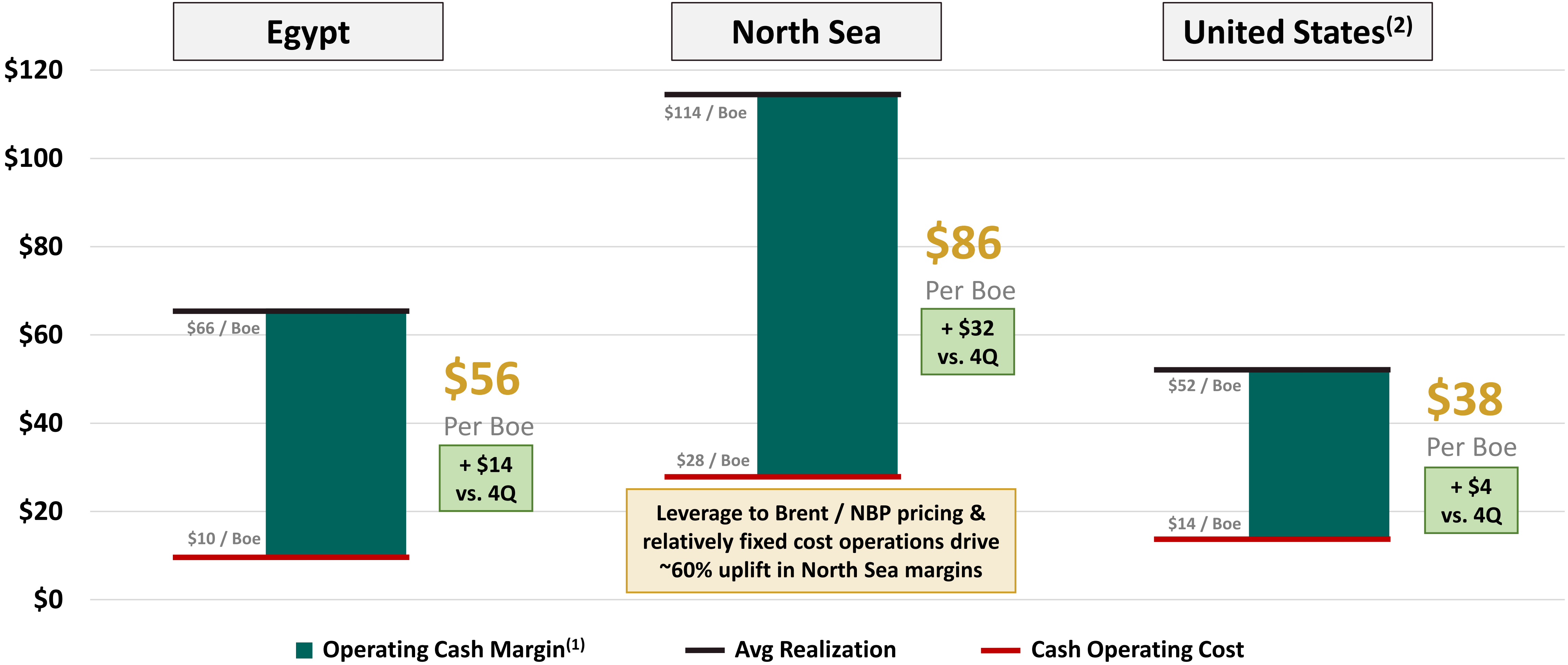
Exceptional Uplift in 1Q'22 Operating Cash Margins



(1) Operating cash margins calculated as price realizations less lease operating expenses, gathering, processing, & transmission costs, and taxes other than income.
(2) Excludes Altus Midstream (ALTM).

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Suriname

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Offshore Suriname

Block 58 (APA 50% WI)

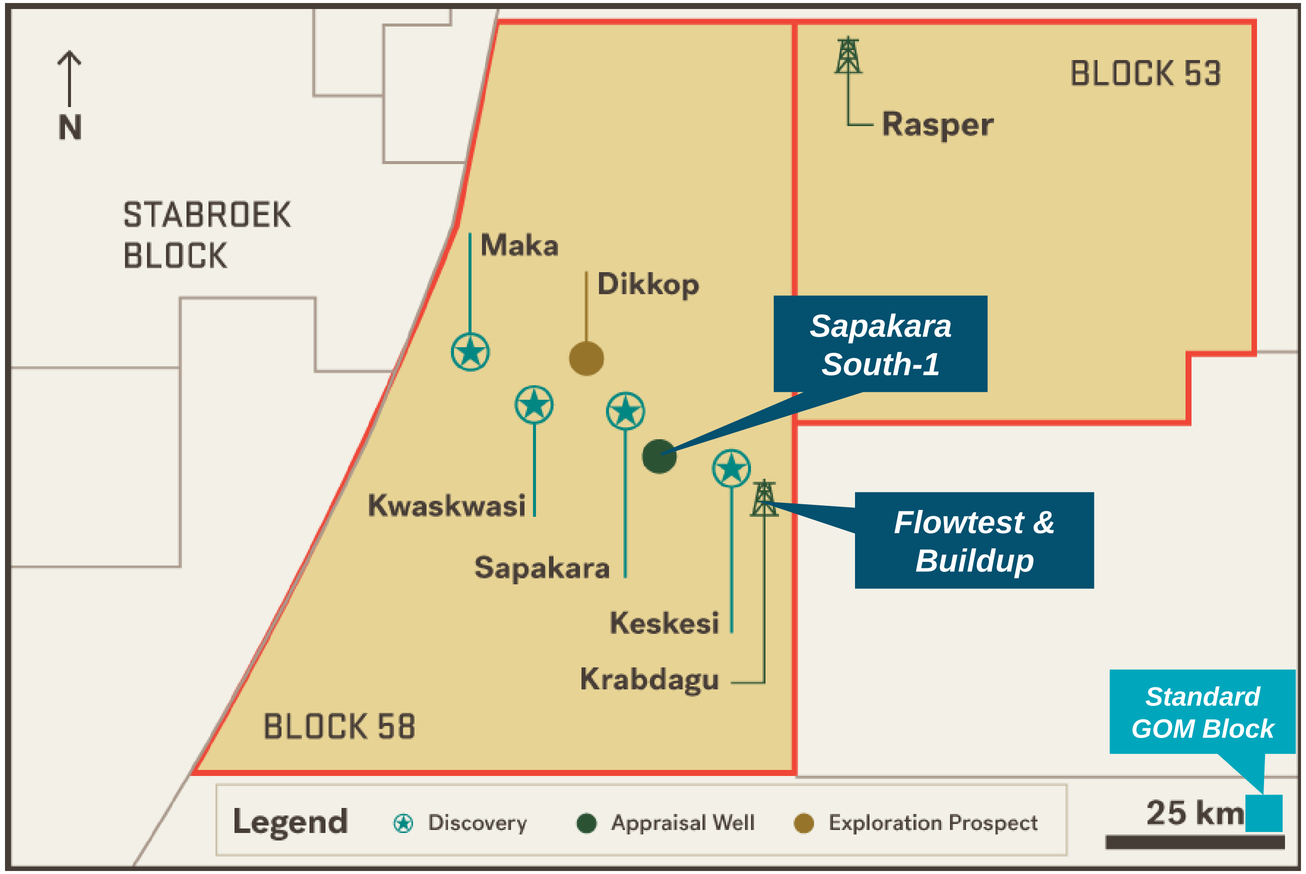
- Five exploration discoveries since Jan. 2020

- Recent discovery at **Krabdagu-1** exploration well
  - Flow testing complete; in pressure build-up stage of both tested zones

- *Maersk Valiant* to spud **Dikkop** exploration prospect following operations at Krabdagu

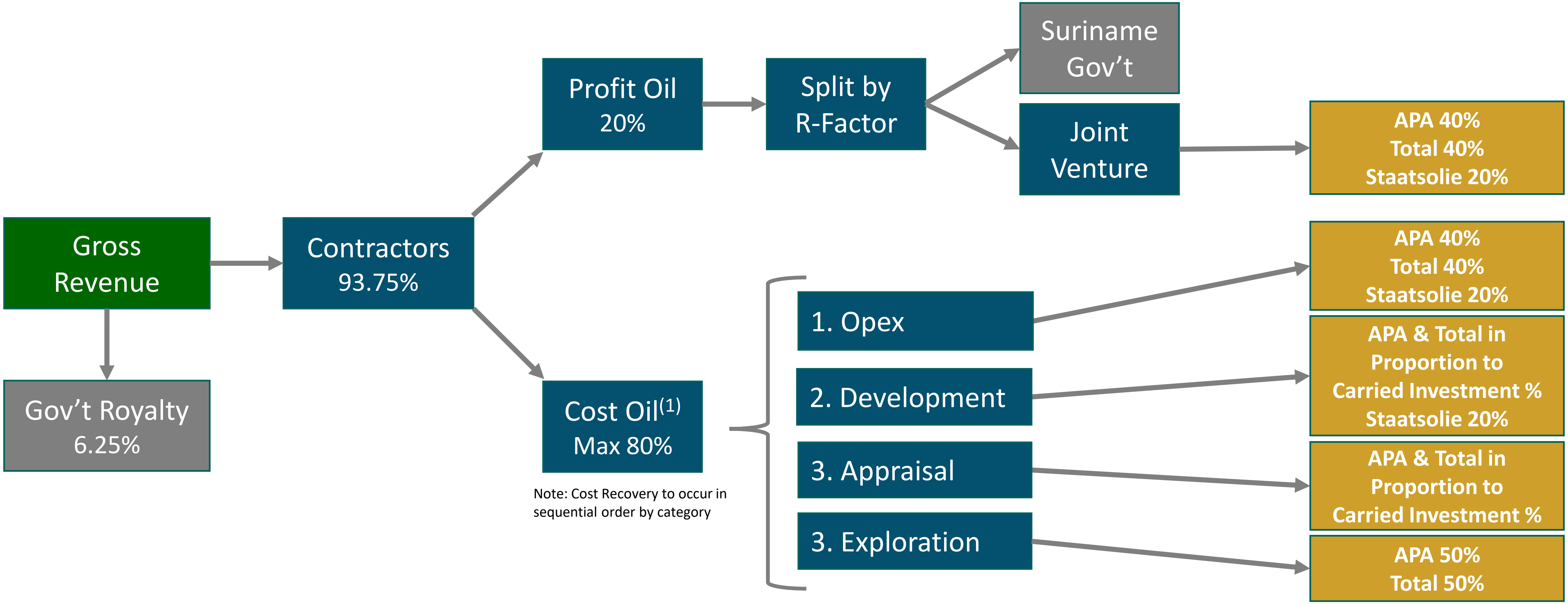
Block 53 (APA 45% WI)

- Commenced drilling **Rasper** exploration prospect in late March 2022
  - *Noble Gerry De Souza* drillship to remain in country following drilling operations at Rasper



Suriname PSC and APA / Total Energies Joint Venture

Summary Terms and Production Sharing Contract Mechanics



Note: Assumes Staatsolie exercises its participation rights of 20% at development plan approval.

(1) Cost oil becomes profit oil after full recovery. Cost oil is capped at 80%, calculated on a quarterly basis and ring-fenced by development area.

Summary of Terms

Suriname PSC

- Cost oil recovery ceiling of 80% after royalty payment
- Unrecovered cost oil balances carried forward until fully recovered on a project-by-project basis
- Staatsolie has participation rights of up to 20% at development plan approval
- Suriname corporate tax rate of 36% and NOLs carry forward
  - Taxable Income = (Cost Oil + Profit Oil + Other Income if any) – (Opex + Exploration/Appriasal Capex + Depreciation of Development Capital + Non-Recoverable Costs)
- Profit oil subject to following R-Factor calculation:

$$\frac{\text{(Cum. Rev. – Cum. Roy. – Cum. Tax)}}{\text{Cumulative Costs}}$$

R-Factor	Gov't %	Contractor %
0 - 1.25	20	80
1.25 - 1.50	25	75
1.50 - 1.75	30	70
1.75 - 2.00	40	60
2.00 - 3.00	50	50
3.00+	70	30

APA / Total JV

- Parties have the right to alternate proposals of exploration wells up to 8 wells per year
- Either party may non-consent any exploration, appraisal or development. Once out, there is no back-in option
- If parties do not agree on location of exploration wells, Total and APA will alternate selections
- Total pays disproportionate percentage of Appraisal / Development costs (see below table)
  - Total recovers carry through cost oil mechanism at the same disproportionate percentage
- APA receives royalty on first 1.5B bbls of gross production
  - Paid quarterly based on average Brent price
- Total makes $75 million cash payment to APA on first commercial oil production

Appraisal / Development Spend(1)		
Spend ($)	Total %	APA %
0 – 10B	87.5%	12.5%
>10B – 15B	75.0%	25.0%
>15B	62.5%	37.5%

Royalty	
Brent	Royalty / bbl
≤ $65	$0.25
> $65 ≤ $80	$0.375
> $80	$0.5

(1) Percentages apply to the capital spend between APA and Total, whether Staatsolie participates or not.

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ESG Discussion

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ESG Vision

E		AIR	Be at the forefront of industry's efforts to measure, disclose and mitigate emissions
		WATER	Preserve freshwater resources and leverage technology to maximize water reuse
S		COMMUNITIES +PEOPLE	Provide fulfilling and rewarding careers for our employees and create shared value in the communities where we operate
G		GOVERNANCE	Pursue best-in-class governance through continuous monitoring of best practices, regular stakeholder access and engagement, and a commitment to transparent communications

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Environmental, Social & Governance 2021 Highlights

Environmental Stewardship

Key Highlights:

- APA Sustainability Report features greenhouse gas data aligned with **SASB and TCFD**; includes **Climate Statement** & **TCFD Scenario Analysis**
- **Eliminated U.S. onshore routine flaring**
- Formed an **ESG Management Committee** of cross-functional management-level employees for evaluating ESG risks & opportunities

Key Changes for 2022:

- **20 percent** of every employee's annual incentive compensation **tied to ESG goals**
- **ESG metric added to performance share program** in our long-term incentive compensation plan

Diversity & Inclusion

Key Highlights:

- Implemented strategy to identify areas of improvement, establish goals, and introduce new initiatives to drive our progress. This includes:
  - **Tracking gender and ethnic diversity** across management, new hires, and promotions; measure progress on efforts to advance D&I
  - **D&I goal added to annual incentive compensation,** including the establishment of a **supplier diversity program** in 2022
  - **Mandatory, companywide D&I training** for all leaders with direct reports; created a Diversity & Inclusion Council to provide employee perspectives & feedback on key initiatives

Governance

Key Highlights:

- **APA's full Board receives regular updates** on key ESG and Sustainability issues
- Board committees engaged in oversight of key issues:
  - **Corporate Responsibility, Governance & Nominating Committee** oversees governance, ESG issues and the Sustainability Report
  - **Audit Committee** oversees risk management, including climate change-related business, legal & regulatory risk management
  - **Management Development & Compensation Committee** oversees executive compensation, development, and succession planning, and seeks improvement in diversity & inclusion practices

Compensation-linked ESG Goals

Short-term Goals

- **Egypt:** 40% reduction of upstream flaring in Egypt by year-end
- **People:** Develop and implement a future of work strategy inclusive of working model, workplace and technology enhancements
- **Supplier Diversity:** Establish a Supplier Diversity program and externally report Tier I spend by category by year-end
- **Safety:** TRIR and SIF targets(1)

Long-term Goal

Established long-term incentive compensation-linked emissions reduction goal:

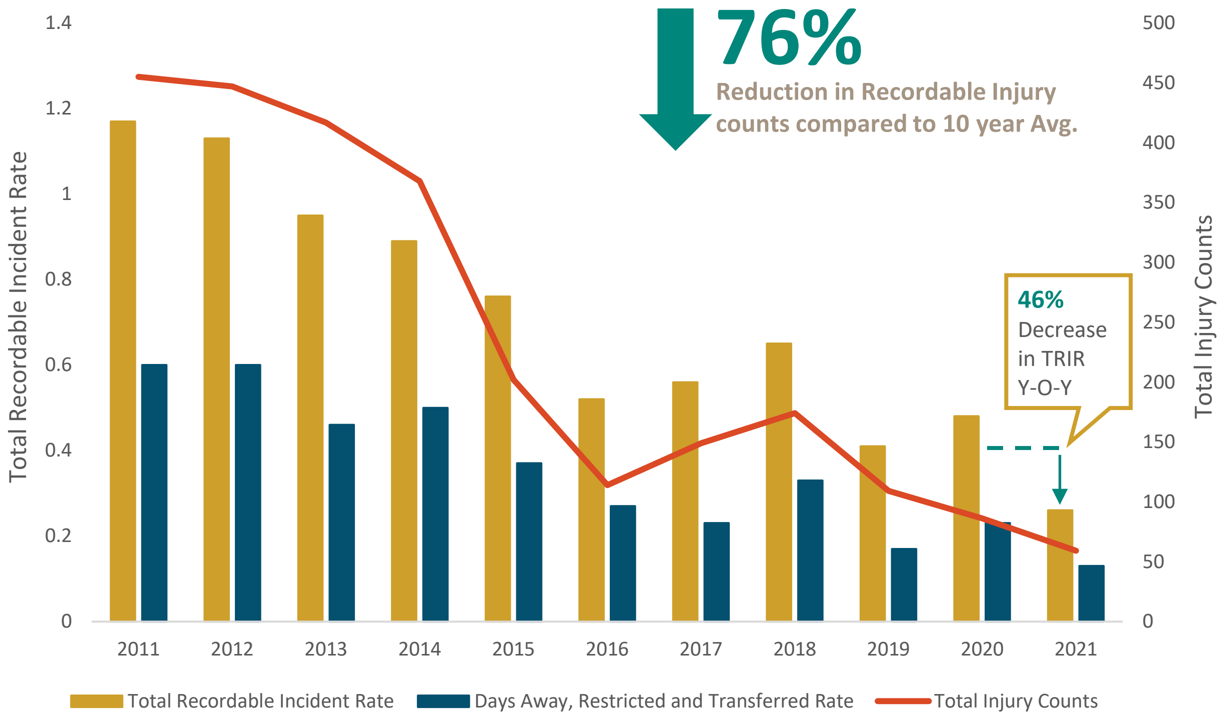
Deliver projects that eliminate at least 1 million tonnes of CO_2 emissions annually by year-end 2024

First in Peer Group to link Emissions Goal to Long-Term Incentive Compensation

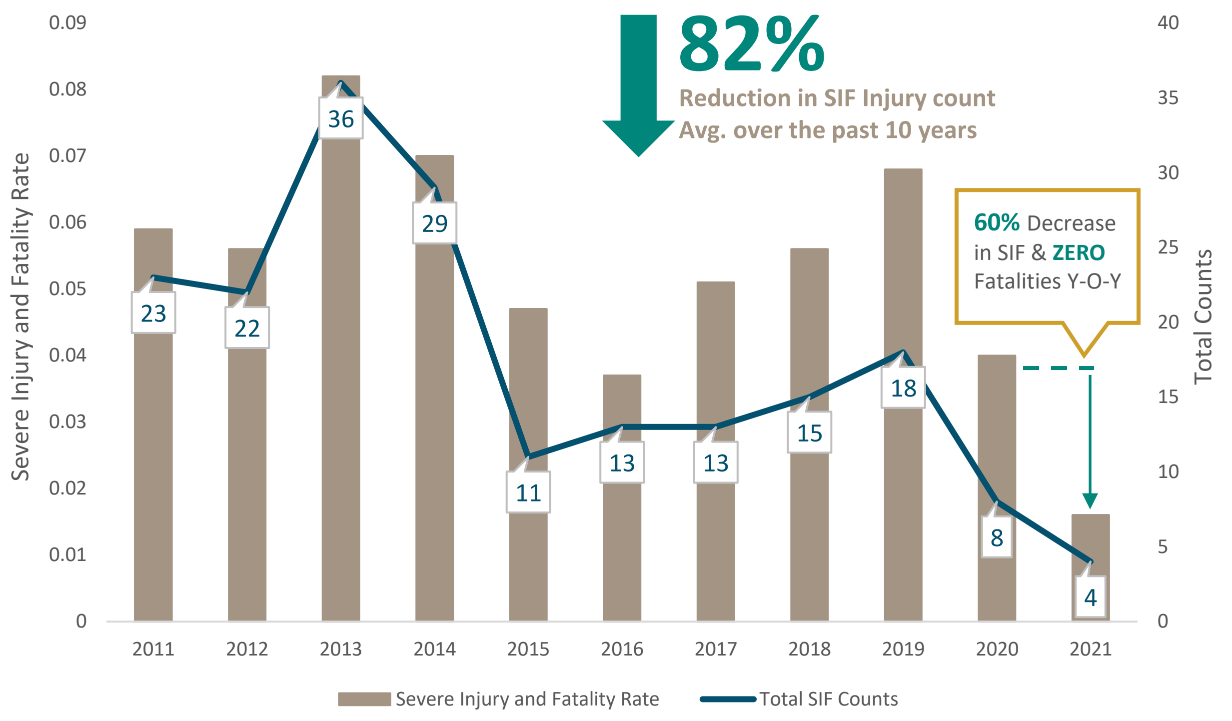
(1) Total Recordable Incident Rate (TRIR); Severe Injury and Fatality Rate (SIF).

Positive Safety Performance Trends Across Operations

Total Recordable Injury Rate (TRIR)



Severe Injury & Fatality Rate (SIF)



↓**78%** in global TRIR compared to 2011 (↓46% in 2021)
↓**31%** in recordable Egypt injuries in 2021 (↓40% drilling ops)
ZERO recordable injuries in 2021 US onshore completions

↓**71%** in global SIF rate compared to prior 10YR average
↓**60%** in global SIF rate in 2021 and **ZERO** fatalities

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Appendix

Guidance (Published May 4, 2022)

	2Q 2022	FY 2022	Commentary
Production (Mboe/d)			
United States	206	210	FY unchanged
Egypt (Reported)	154	154	FY reduced for higher oil price PSC effects, slightly lower gross oil outlook from timing delays
North Sea	38	44	FY reduced 1 mboe/d for unplanned downtime in 1H'22
Total Reported Production	398	408	
Less: Egypt Tax Barrels	50	50	
Less: Egypt Noncontrolling Interest	35	35	
Total Adjusted Production	313	323	
Total Adjusted Oil Production (Mbo/d)	140	149	
Upstream Capital Investment ($ in millions)[(1)]	$440	$1,725	FY updated for incremental Suriname activity, U.S. activity mix & non-operated spend
Upstream Lease Operating Expense ($ in millions)	$370	$1,420	FY unchanged
DD&A ($ in millions)	$300	$1,275	FY reduced by $25 MM
General & Administrative Expense ($ in millions)	$135	$500	FY increase of $85 MM includes higher expected LTI payment accrual
Gathering, Processing & Transmission Expense ($ in millions)	$90	$350	FY updated for higher gas price tied to U.S. POP contracts
Net Gain (Loss) on Oil and Gas Purchases and Sales ($ in millions)	$0	$30	FY updated for basis differentials; excludes cash impact of basis hedges
North Sea Current Tax Expense ($ in millions)	$80	$400	FY updated for price & production outlook

Note: Guidance reflects 4/8/2022 strip pricing assumptions.

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

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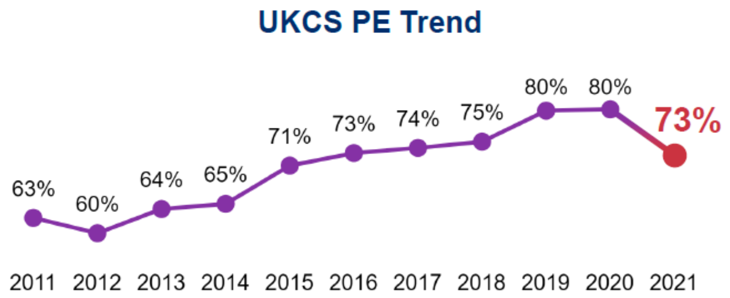
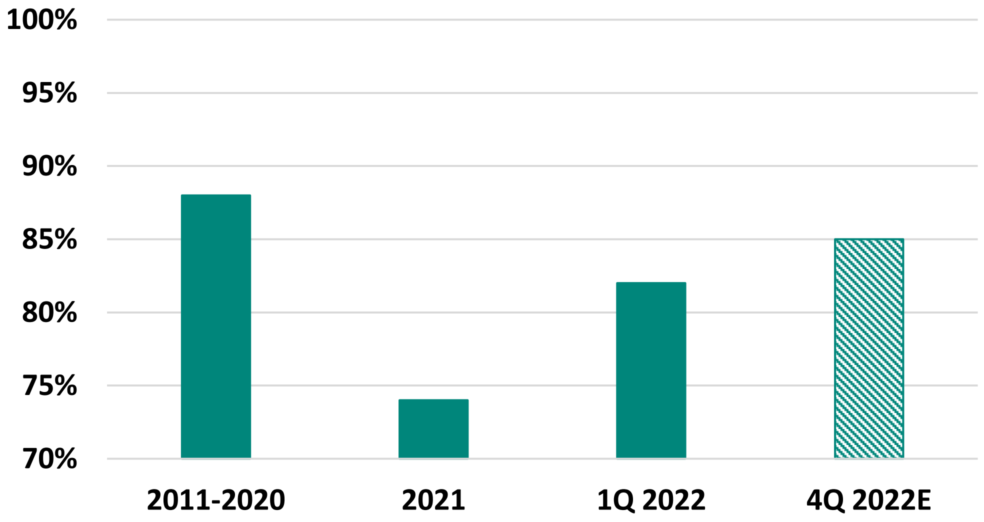
North Sea Production Efficiency Performance

North Sea Industry Efficiency[1]



APA North Sea Production Efficiency[2]



- Industry-wide performance in 2021 has underperformed vs. prior years and 80% industry target level
  - Deferred maintenance work scopes from 2020 due to COVID
  - COVID related restrictions hampering capacity to fulfill maintenance work scopes
- 2021 APA North Sea performance has carried over into 2022
  - Strong well potential offset by offshore compressor performance
  - Other operational downtime has delayed production activity to date
    - Ocean Patriot floating rig has completed repairs & resumed drilling activity
    - Forties Echo platform to remain offline through 2Q'22
- Outlook comments for 4Q 2022
  - Covid-era manning restrictions lifted in UK enabling personnel deployment for repairs, maintenance and compressor overhauls

(1) Source: UK North Sea Transition Authority (NSTA).
(2) Production Efficiency defined as Actual Wellhead Production / Available Potential (e.g. production including TAR, export downtime and offline wells requiring future intervention).

Glossary of Referenced Terms

- **Upstream Capital Investment**: Includes exploration, development, gathering, processing, and transmission capital, capitalized overhead, and settled asset retirement obligations. Excludes capitalized interest, non-cash asset retirement additions and revisions, Egypt noncontrolling interest and all Altus Midstream capital.

- **Free Cash Flow**: Cash flow from operations before changes in operating assets and liabilities (including Egypt minority interest)
  - Minus:
    - Upstream capital investment (including Egypt minority interest)
    - Distributions to noncontrolling interest (Egypt)
  - Plus:
    - Cash dividends received from Kinetik

- In addition to the terms above, a list of commonly used definitions and abbreviations can be found in APA Corporation's Form 10-K for the year ended December 31, 2021.

Non-GAAP Reconciliations

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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 March 31,		For the Year Ended December 31,	
	2022	2021	2021	2020
Net cash provided by operating activities	$ 891	$ 671	$ 3,496	$ 1,388
Changes in operating assets and liabilities	263	175	(37)	186
Cash flows from operations before changes in operating assets and liabilities	$ 1,154	$ 846	$ 3,459	$ 1,574
Adjustments to free cash flow:				
Altus Midstream cash flows from operations before changes in operating assets and liabilities	-	(39)	(211)	(160)
Upstream capital investment including noncontrolling interest - Egypt	(410)	(275)	(1,221)	(1,141)
Distributions to Sinopec noncontrolling interest	(69)	(40)	(279)	(91)
Upstream free cash flow	$ 675	$ 492	$ 1,748	$ 182
Cash dividends received from Altus Midstream	-	19	75	-
Free cash flow	$ 675	$ 511	$ 1,823	$ 182

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. APA 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.

($ in millions)

	For the Quarter Ended March 31, 2022			
	North Sea	Egypt	U.S. and Other	Consolidated
Net cash provided by operating activities	$ 258	$ 331	$ 302	$ 891
Changes in operating assets and liabilities	(35)	146	152	263
Cash flows from operations before changes in operating assets and liabilities	$ 223	$ 477	$ 454	$ 1,154

	For the Quarter Ended December 31, 2021			
	North Sea	Egypt	U.S. and Other	Consolidated
	($ in millions)			
Net cash provided by operating activities	$ 105	$ 315	$ 665	$ 1,085
Changes in operating assets and liabilities	42	13	(150)	(95)
Cash flows from operations before changes in operating assets and liabilities	$ 147	$ 328	$ 515	$ 990

APA Corporation

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. The Altus Midstream LP credit facility is unsecured and is not guaranteed by APA or any of APA's other subsidiaries.

($ in millions)

	March 31, 2022			December 31, 2021			December 31, 2020		
	APA Upstream	Altus Midstream	APA Consolidated	APA Upstream	Altus Midstream	APA Consolidated	APA Upstream	Altus Midstream	APA Consolidated
Current debt - Apache	$ 125	$ -	$ 125	$ 215	$ -	$ 215	$ 2	$ -	$ 2
Long-term debt - Apache	5,764	-	5,764	6,638	-	6,638	8,146	-	8,146
Long-term debt - Altus	-	-	-	-	657	657	-	624	624
Total debt	5,889	-	5,889	6,853	657	7,510	8,148	624	8,772
Cash and cash equivalents	234	-	234	170	132	302	238	24	262
Net debt	$ 5,655	$ -	$ 5,655	$ 6,683	$ 525	$ 7,208	$ 7,910	$ 600	$ 8,510

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 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 March 31,		For the Year Ended December 31,	
	2022	2021	2021	2020
Costs incurred in oil and gas property:				
Acquisitions				
Proved	$ 9	$ 1	$ (157)	$ 7
Unproved	11	2	29	4
Exploration and development	419	284	1,387	1,200
Total Costs incurred in oil and gas property	$ 439	$ 287	$ 1,259	$ 1,211
Reconciliation of Costs incurred to Upstream capital investment:				
Total Costs incurred in oil and gas property	$ 439	$ 287	$ 1,259	$ 1,211
Asset retirement obligations settled vs. incurred - oil and gas property	7	2	(116)	(5)
Capitalized interest	(3)	(2)	(9)	(2)
Exploration seismic and administration costs	(33)	(12)	(58)	(63)
Upstream capital investment including noncontrolling interest - Egypt	$ 410	$ 275	$ 1,221	$ 1,141
Less noncontrolling interest - Egypt	(49)	(31)	(159)	(153)
Total Upstream capital investment	$ 361	$ 212	$ 1,062	$ 988

APA Corporation