FIRST-QUARTER 2019

FINANCIAL & OPERATIONAL SUPPLEMENT

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.apachecorp.com, and in our other public filings and press releases. These forward-looking statements are based on Apache Corporation's (Apache) 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, Apache'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 "expects," "believes," "anticipates," "projects," "guidance," "outlook," "will," and similar phrases. Because such statements involve risks and uncertainties, Apache'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 Apache 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 Apache's first quarter 2019 earnings release at www.apachecorp.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. Apache may elect to modify the format or discontinue publication at any time, without notice to securities analysts or investors.

1Q 2019 KEY METRICS

	1Q 2019
Reported Production	503 Mboe/d
Adjusted Production[(1)]	437 Mboe/d
Cost Incurred in Oil and Gas Property	$674 Million
Upstream Capital Investment[(2)]	$597 Million
Net Cash Provided by Operating Activities	$598 Million
Adjusted EBITDAX[(2)]	$1.1 Billion
Earnings Per Share	($0.12)
Adjusted Earnings Per Share[(2)]	$0.10

(1) Excludes production attributable to Egypt tax barrels and noncontrolling interest.
(2) For a reconciliation to the most directly comparable GAAP financial measure please refer to the Non-GAAP Reconciliations.

- **Delivering Value: 1Q 2019 Highlights**
- 1Q Results
- Appendix
- Non-GAAP Reconciliations

FRAMEWORK FOR LONG-TERM VALUE CREATION

BALANCED PORTFOLIO APPROACH

Capital Allocation Focused on Maintaining Free Cash Flow Generators and Developing Long-Term Growth Optionality

SUSTAINABLE PRODUCTION GROWTH

Growing Permian Basin Oil and NGLs

FREE CASH FLOW GENERATION

Capital Discipline, Returns-Focused Investment, Production Growth Is An Outcome

OPERATIONAL FLEXIBILITY

Actively Manage Capital Program to Reflect Commodity Price Environment

RETURN OF CAPITAL

Plan to Return 50%+ of Any Free Cash Flow (Share & Debt Repurchases, Dividends)

1Q 2019 HIGHLIGHTS

Strong Production Growth on Lower Capital Investment

Reduced upstream capital investment by **27%**

~$218MM from 4Q'18

Adjusted production of

437 MBOE/D

12 MBOE/d above guidance
16 MBOE/d increase from 4Q'18

Altus Midstream cryogenic processing buildout

ahead of schedule

~$300MM Asset Sales

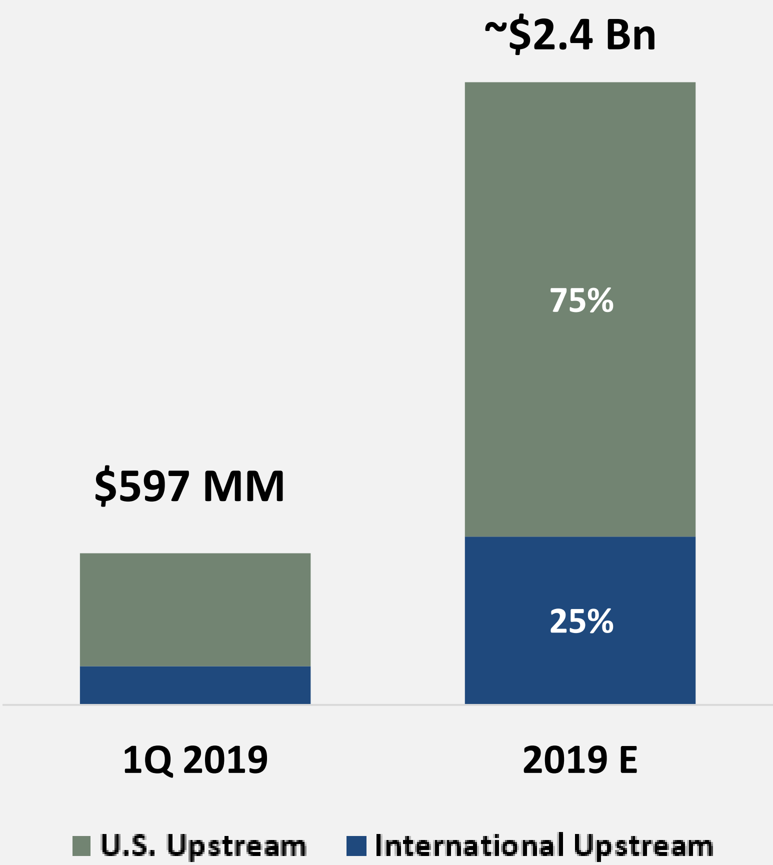
Under signed PSA's

North Sea achieved 66 MBOE/d

Highest quarterly production rate in 2 years

2019 CAPITAL BUDGET & RIG ACTIVITY UNCHANGED

Upstream Capital Budget



United States

Permian Basin Liquids Growth

- Average 12 rigs
- Bring online **85 wells at Alpine High** with rich gas development focus
- Bring online **67 wells in Midland and 44 wells in other Delaware**

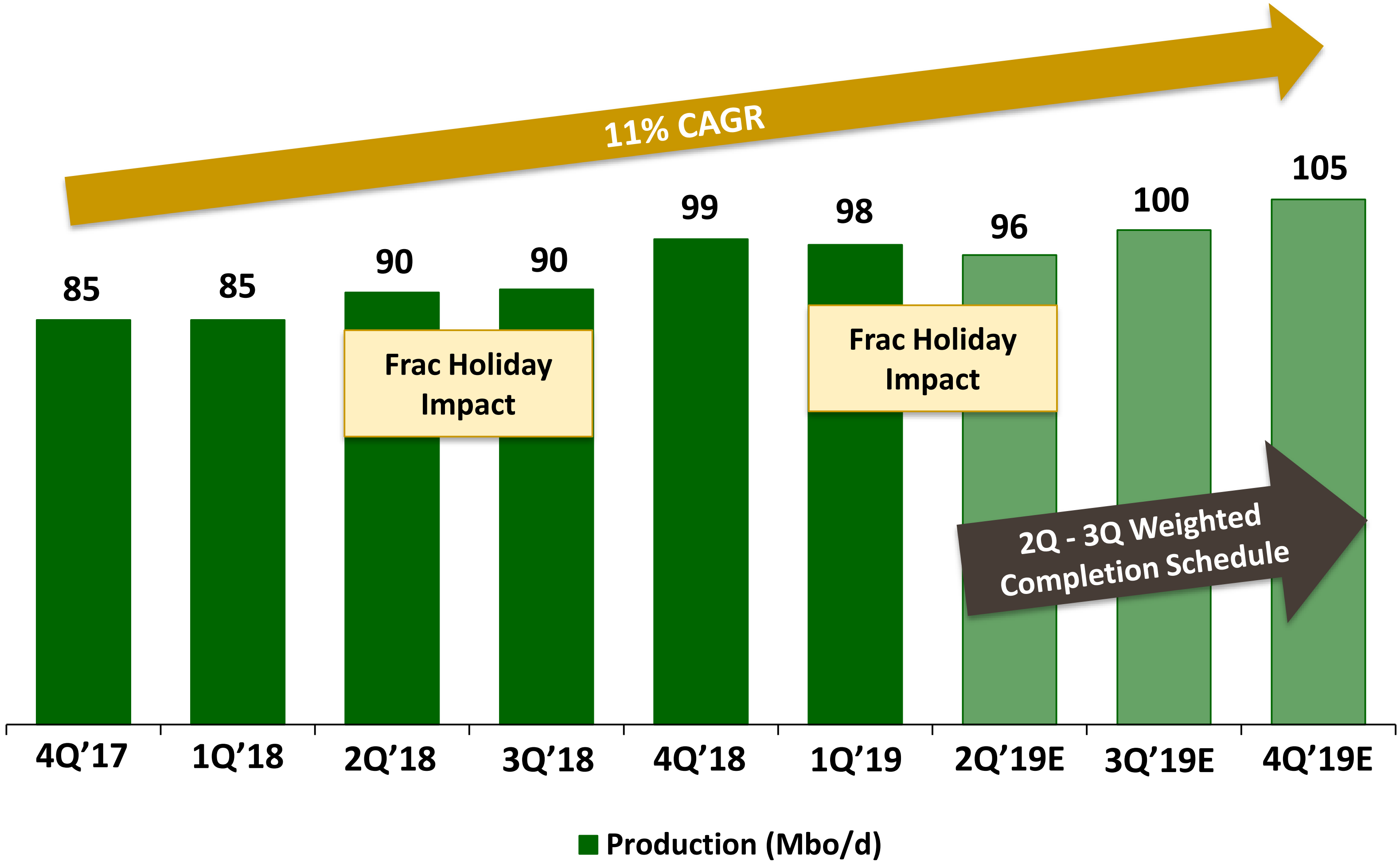
International

- **Egypt**: Avg. 7 - 8 rigs
  - Drill approximately 70 wells
  - Focus on new acreage and legacy areas with new 3-D seismic
- **North Sea:** Operate 2 platform rigs and one floating rig
  - Drill 11 wells in the Beryl area and 6 wells at Forties
- **Suriname:** 1 exploration well

Free Cash Flow Generation

Note: 2019 capital excludes Altus Midstream capital. International includes Egypt (excluding noncontrolling interest), North Sea and Suriname.

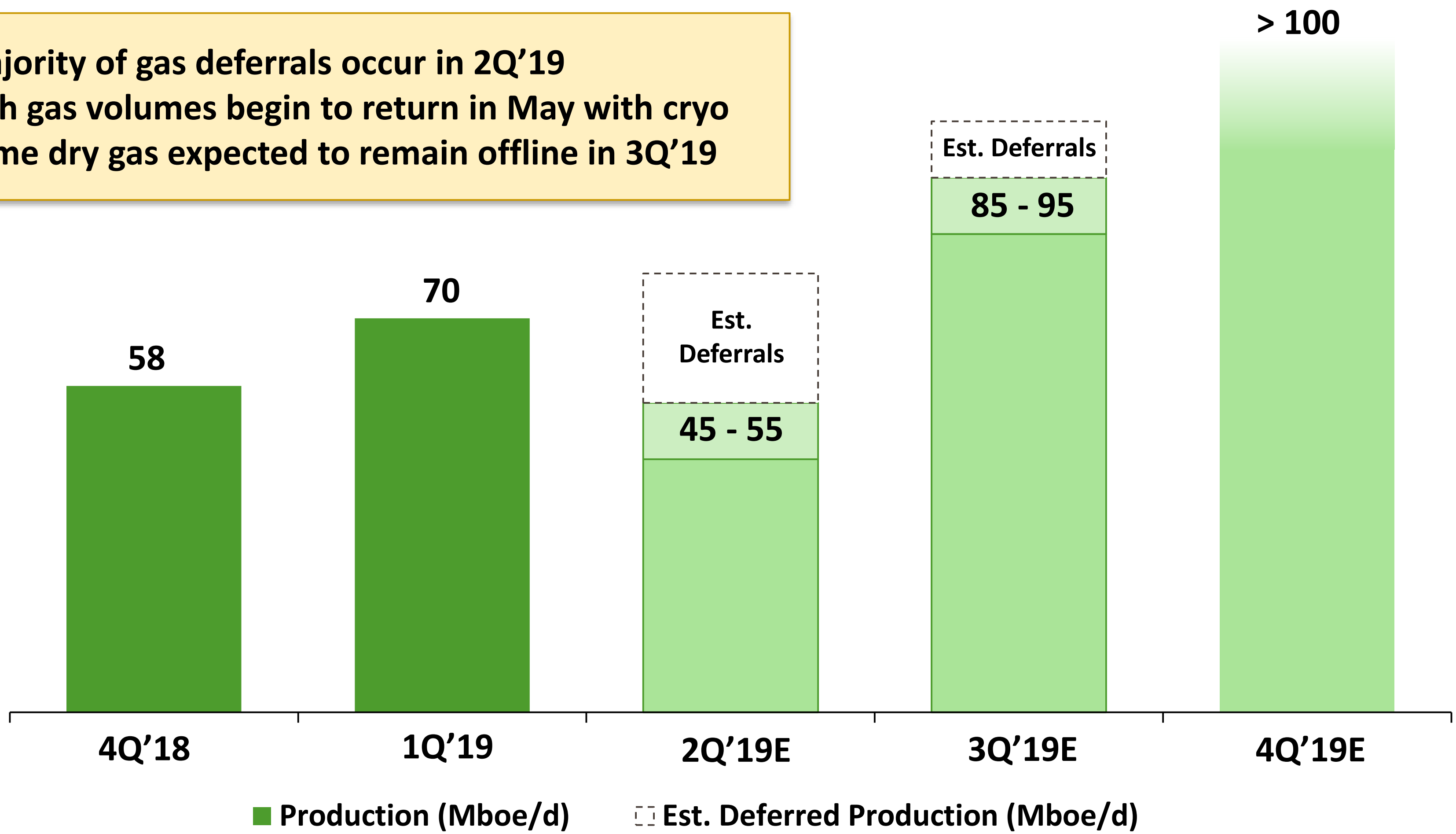
PERMIAN OIL PRODUCTION GROWTH



Investing at a Pace to Deliver Steady, Sustainable Oil Growth

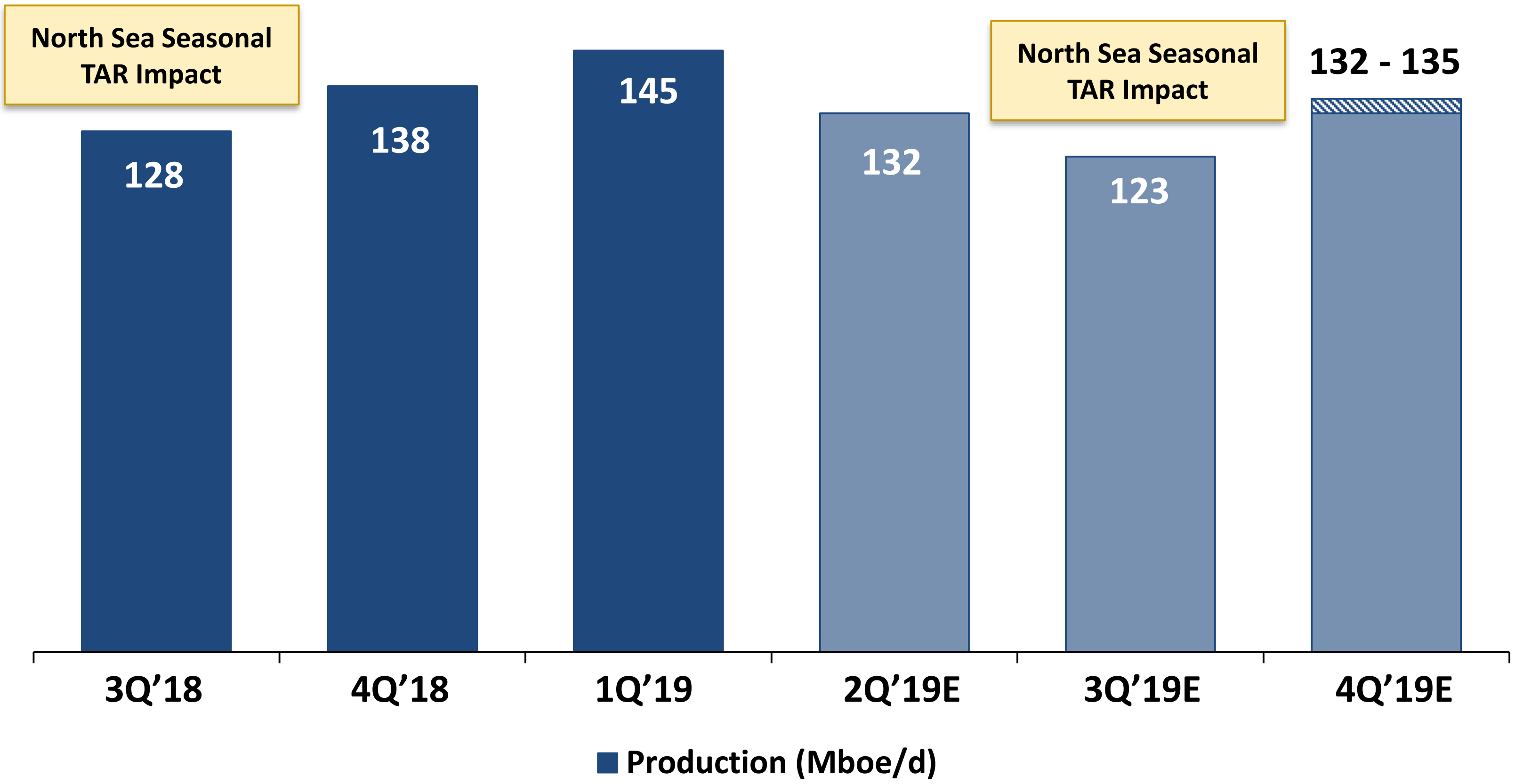
2019 ALPINE HIGH PRODUCTION OUTLOOK

- Majority of gas deferrals occur in 2Q'19
- Rich gas volumes begin to return in May with cryo
- Some dry gas expected to remain offline in 3Q'19



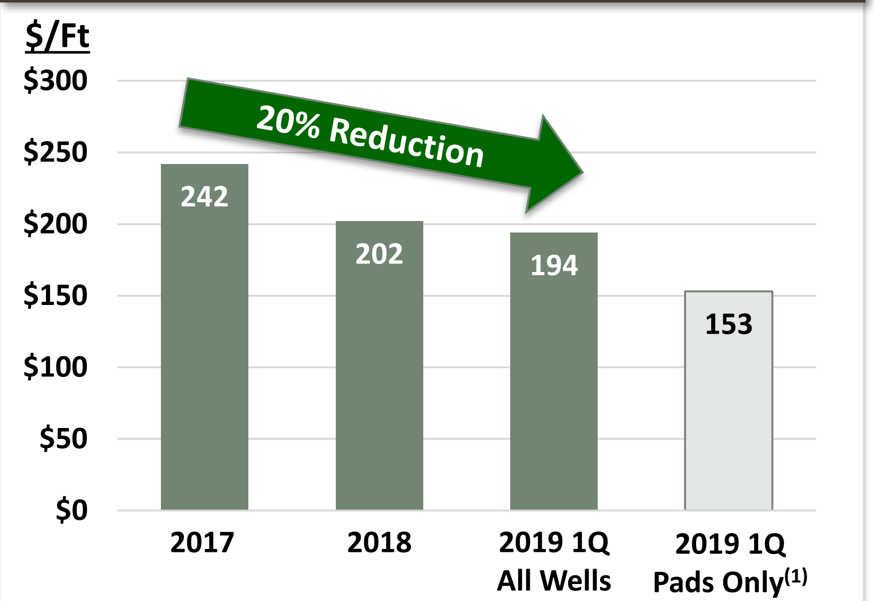
Significant Volume Ramp in 2H 2019 as Cryos Come Online

2019 ADJUSTED INT'L PRODUCTION OUTLOOK



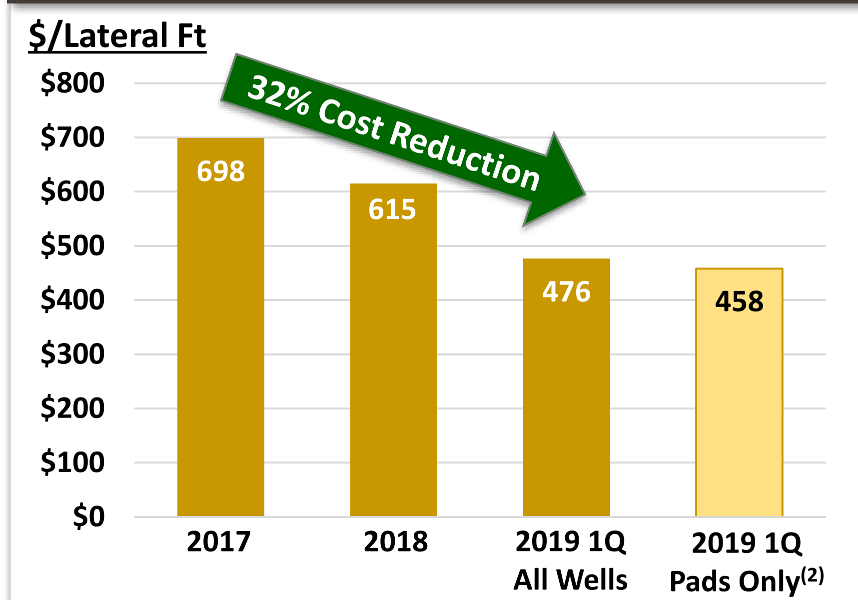
ALPINE HIGH WELL COST IMPROVEMENTS

Average Drilling Costs



(1) Includes actual 1Q 2019 costs from 13 wells drilled on multi-well pads

Average Completions Costs



(2) Includes actual 1Q 2019 costs from 7 completions on multi-well pads.

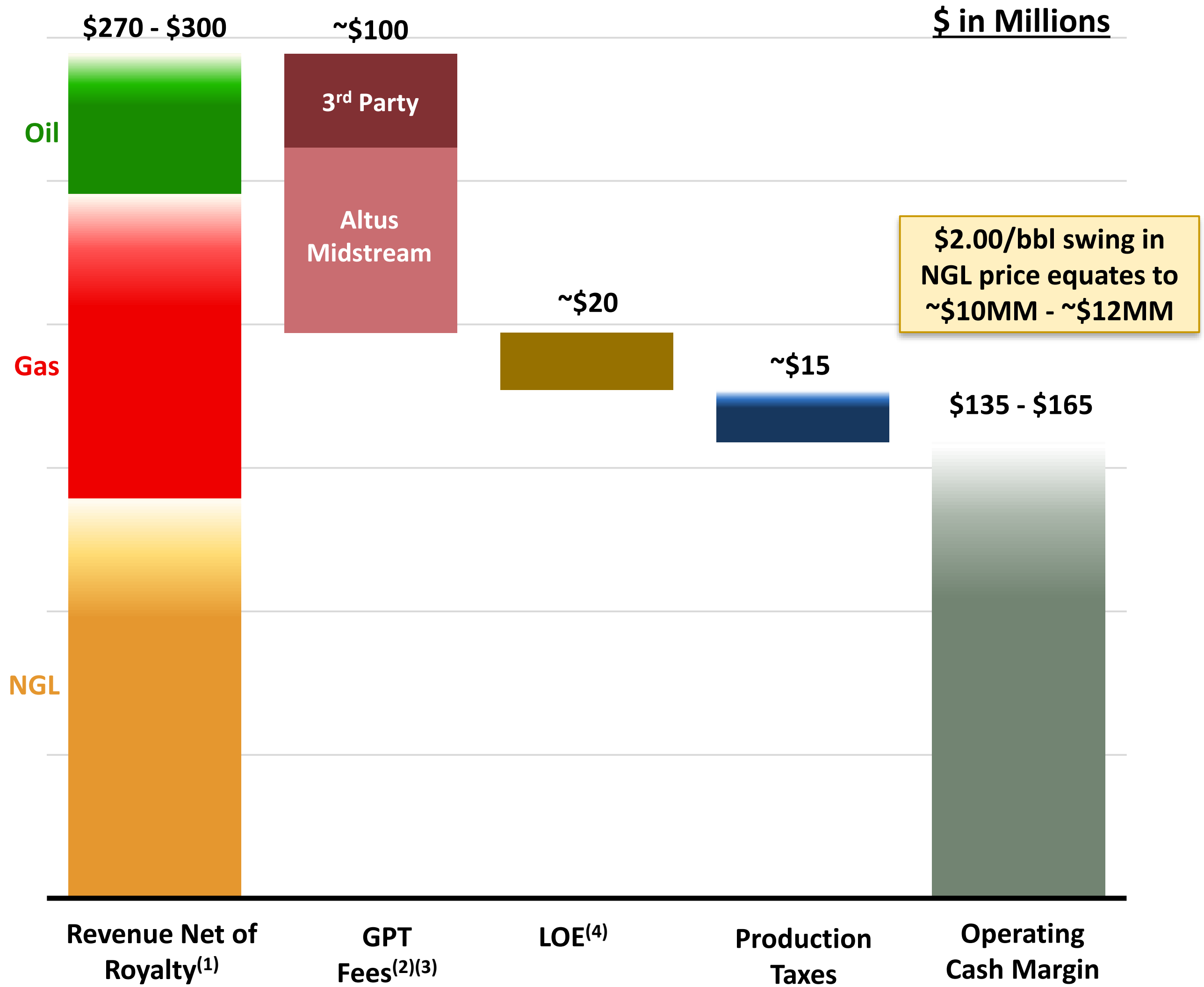
Cost Improvement Drivers

- Drilling design optimization (pad and batch drilling, reduced hole size, eliminated intermediate casing string)
- Larger pads, slightly longer laterals, improved pricing and supply chain management

ALPINE HIGH RICH GAS UNDER CRYO & GULF COAST PRICING

Estimated Annual Cash Margins from one Cryo Unit (200 MMCF/d Gross Wellhead Gas)

Key Assumptions
Average Heat Content
1,150 – 1,200 BTU
Average NGL Yield
100 – 125 BBL/MMCF
Production Volume (BOE)
6% Oil
49% NGL
45% Gas
Benchmark Pricing
Oil: $60 WTI
NGL: 40% WTI
Gas: $2.80 HH

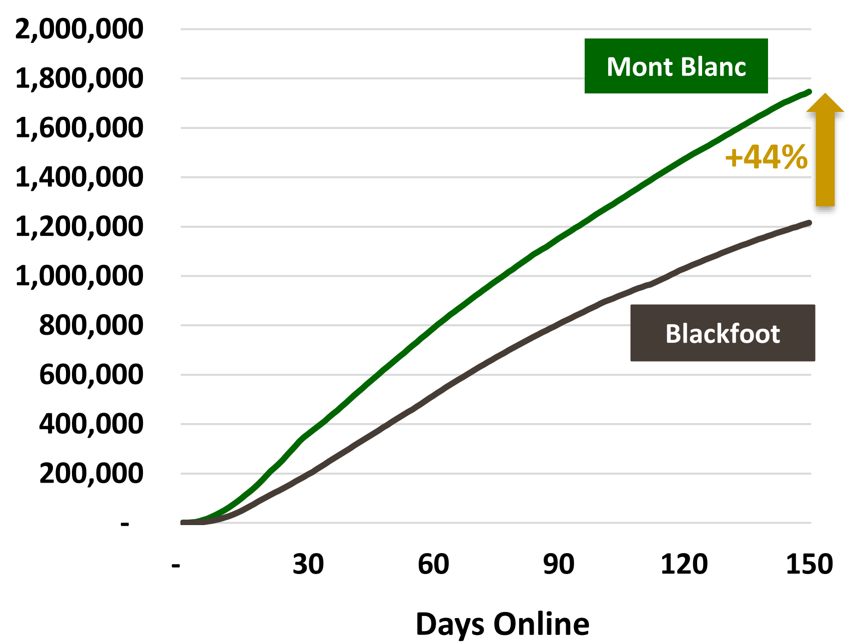


(1) Revenue net of Oil Transportation and Enterprise NGL T&F.
(2) 3rd party includes Salt Creek NGL Transportation & Long Haul Residue Gas Transportation.
(3) Altus includes all fees related to Alpine High.
(4) Run rate development LOE.

MONT BLANC VS BLACKFOOT STATE PAD

Improved Productivity Through Pattern & Completion Design

Cumulative Gas Production per Well (MCF)



Comparison Highlights

- Mont Blanc pad has higher cumulative production from fewer wells, due to:
  - Wider spacing
  - Adjusted vertical landing targets
  - Modified frac design
- Both pads also contain Woodford C wells, which were necessary for testing purposes
- Forward plan is to drill only A's and B's
- Woodford B wells are projected to improve when Woodford C wells are excluded

Pad	Form	Wells	Well Spacing (Ft)	Lateral Length (Ft)	150-Day Cumulative Production (BCF)		BTU Content	NGL Yield Est. Post Cryo (bbls/MCF)
					Pad	Per Well		
Blackfoot	Woodford A & B	8	660	4,716	9.7	1.2	1,130	86
Mont Blanc	Woodford A & B	6	1,100	4,846	10.5	1.8	1,110	84

- Delivering Value: 1Q 2019 Highlights
- **1Q Results**
- Appendix
- Non-GAAP Reconciliations

1Q 2019 GLOBAL PORTFOLIO

Balanced Portfolio Aligns Returns Focus & Strategic Objectives

UNITED STATES

291,693 BOE/D
Reported Production

39 Gross, 34 Net
Drilled & Completed Wells*

16
Avg Rigs

GLOBAL

502,877 BOE/D
Reported Production

67 Gross, 59 Net
Drilled & Completed Wells*

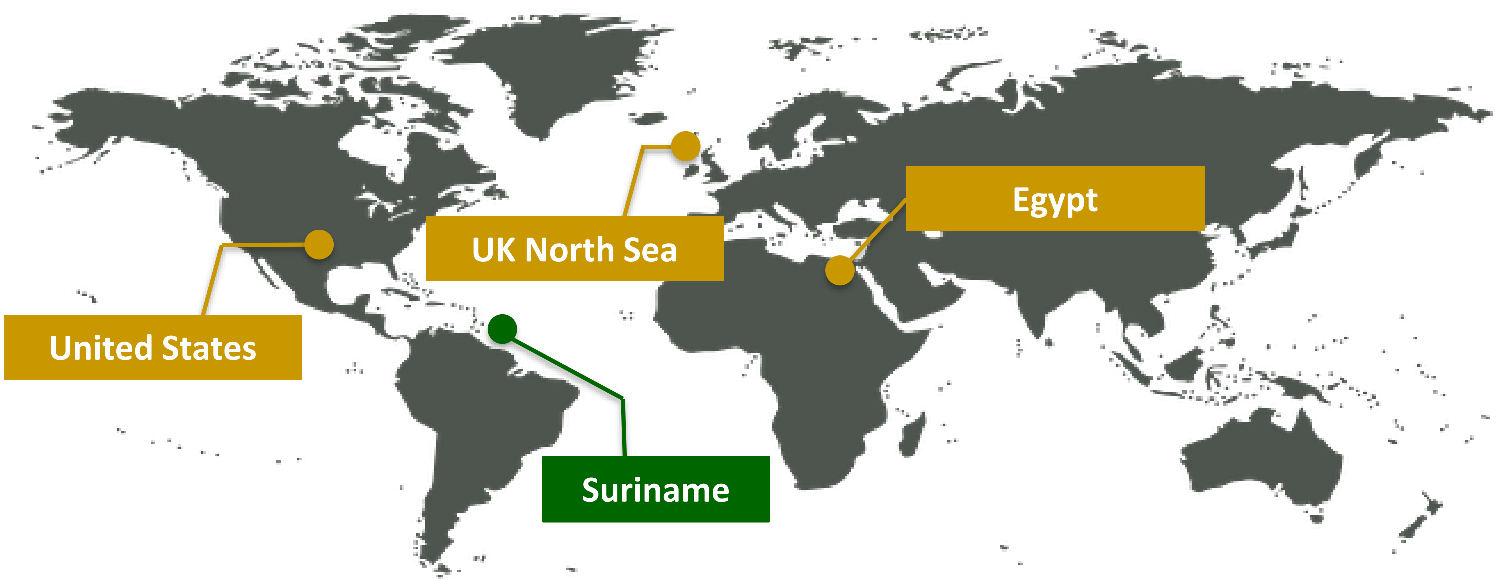
29
Avg Rigs

INTERNATIONAL

211,184 BOE/D
Reported Production

28 Gross, 25 Net
Drilled & Completed Wells*

13
Avg Rigs



* Includes operated wells completed but not necessarily placed onto production.

1Q PERMIAN SUMMARY

36% YoY Net Production Growth

MIDLAND BASIN

- ✓ Averaged 6 rigs, 1 frac crew and placed 18 wells on production
- ✓ **Maintained production with significant decrease in completions**
- ✓ Strong results from 8-well pad at Powell and 6-well pad at Wildfire

OTHER DELAWARE BASIN

- ✓ Averaged 3 rigs, placed only 4 wells on production; targeting 46 wells for the year
- ✓ **Lee Pad at Dixieland delivers impressive results with short laterals**

ALPINE HIGH

- ✓ Averaged 5 rigs, 1 frac crew, and placed 17 wells on production
- ✓ **Average drilling & completions costs per foot down 20% and 32%,** respectively, from 2017 through end of first quarter
- ✓ Initiated temporary natural gas production volume deferrals in late March in response to extremely low prices at Waha Hub

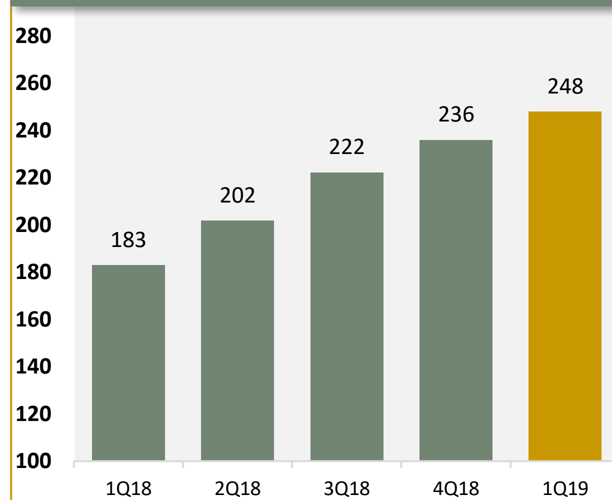
REGION STATS

247,939 BOE/D
Reported Production

39 Gross, 34 Net
Drilled & Completed Wells*

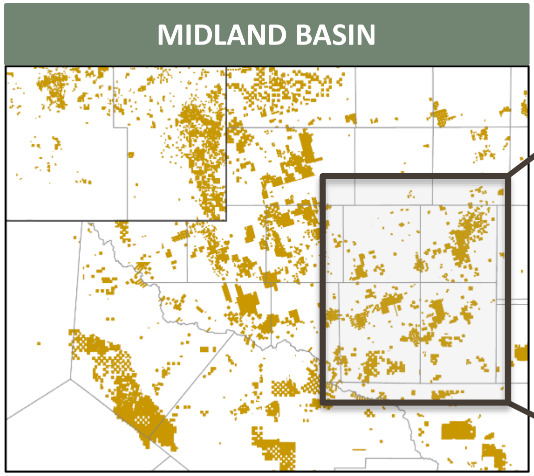
14
Avg Rigs

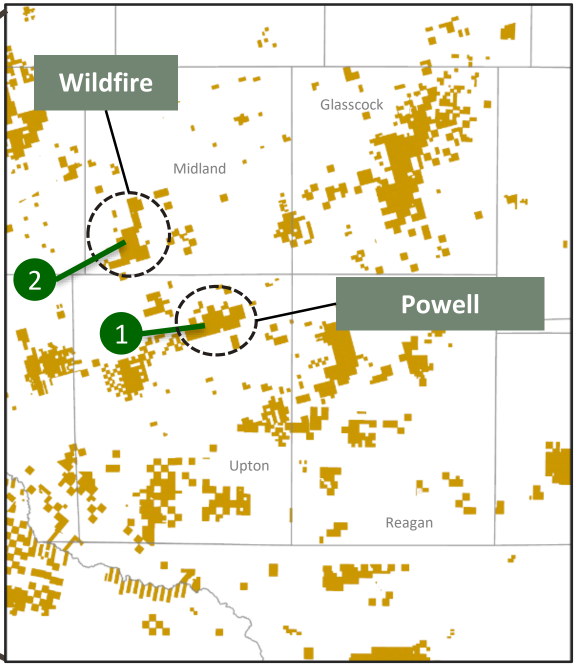
NET PRODUCTION MBOE/D



*Operated wells completed but not necessarily placed onto production.

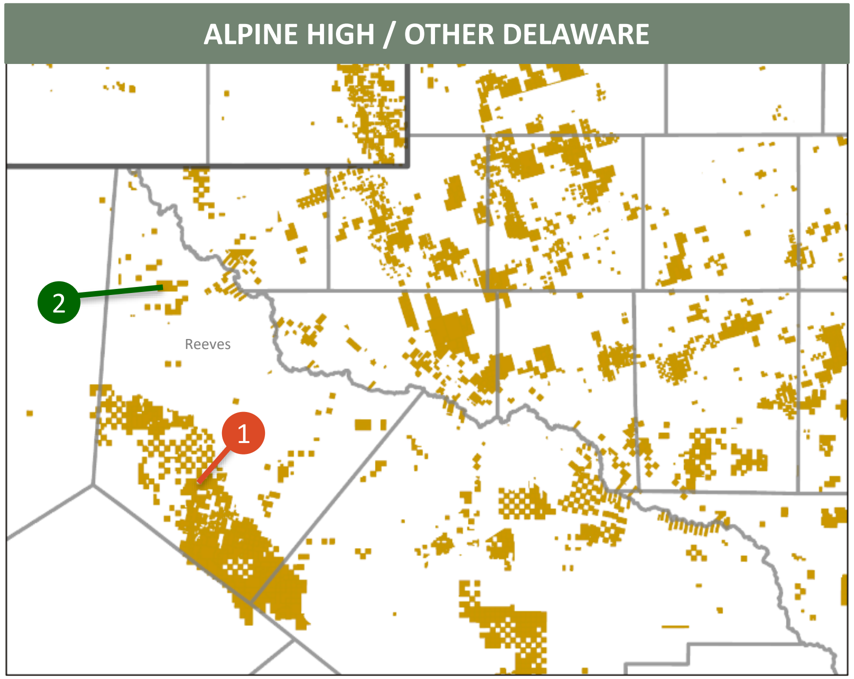
WELL HIGHLIGHTS: MIDLAND BASIN





PAD	FORMATION	AREA	COUNTY	LATERAL (FT)	AVG 30-DAY IP/WELL	AVG 30-DAY IP BOEPD/1,000 FT	OIL
1 **CC 33 (8 Wells)**	Wolfcamp	Powell	Upton	4,911	999 BOE/D	203	78%
2 **Lynch (6 Wells)**	Spraberry	Wildfire	Midland	7,496	1,043 BOE/D	139	83%

WELL HIGHLIGHTS: ALPINE HIGH/DELAWARE BASIN



PAD / WELL	FORMATION	AREA	COUNTY	LATERAL (FT)	AVG 30-DAY IP/WELL	AVG 30-DAY IP BOEPD/1,000 FT	BTU CONTENT	Oil %
Alpine High Rich Gas Development								
1 **Fox State (5 Wells)**	Woodford	Northern Flank	Reeves	4,718	1,258 BOE/D	269	1,250	1%
Other Delaware Basin Oil								
2 **Lee (4 Wells)**	Wolfcamp	Dixieland	Reeves	4,427	1,487 BOE/D	336	--	42%

1Q EGYPT SUMMARY

Laying Foundation for Future Growth

REGION HIGHLIGHTS

- ✓ **Identified several hundred new leads and prospects** thus far, in both legacy and new concession areas under current seismic shoot
- ✓ Three wells online in recently awarded **East Bahariya Extension** achieved a combined peak rate of nearly **4,500 BOPD**
- ✓ Two notable Western Desert exploration successes:
  - **Siwa concession exploration well** in Faghur Basin flowed **5,200 BOPD**
  - **Tango North exploration well** in Matruh Basin tested at **4,000 BOPD**

Well Name	Basin	30-Day Average IP	Oil
Ptah-28	Faghur	3,957 Boe/d	91%
Tut-124	Shushan	1,824 Boe/d	67%
Bolt 118-1X	Abu Gharadig	1,750 Boe/d	100%

Program Success Rate
83% (19 out of 23)

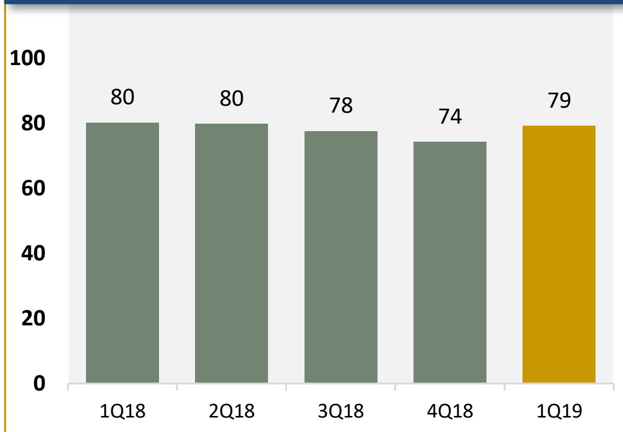
REGION STATS

145,351 BOE/D
Reported Production

23 Gross, 22 Net
Drilled & Completed Wells*

10
Avg Rigs

ADJUSTED PRODUCTION MBOE/D [1]



(1) Excludes tax barrels and noncontrolling interest

*Operated wells completed but not necessarily placed onto production.

1Q NORTH SEA SUMMARY

Highest Quarterly Production in Two Years

REGION HIGHLIGHTS

- ✓ New development well at Callater, full quarter of production at Garten and high facilities uptime drive higher production for the quarter
- ✓ Cumulative **production at Garten exceeds 1.5 million barrels of oil and 2.0 Bcf of gas**
  - Second Garten well to spud 2H 2019
- ✓ **Development progressing at Storr:**
  - Second well encountered similar net pay to 2016 discovery well
  - Additional pay also encountered in deeper Cormorant
  - First production expected in late **4Q 2019**

Well Name	Basin	30-Day Average IP	Oil
9/19B-25Z (CB3)	Callater	7,439 Boe/d	64%

Program Success Rate
100%

REGION STATS

65,833 BOE/D
Reported Production

5 Gross, 4 Net
Drilled & Completed Wells*

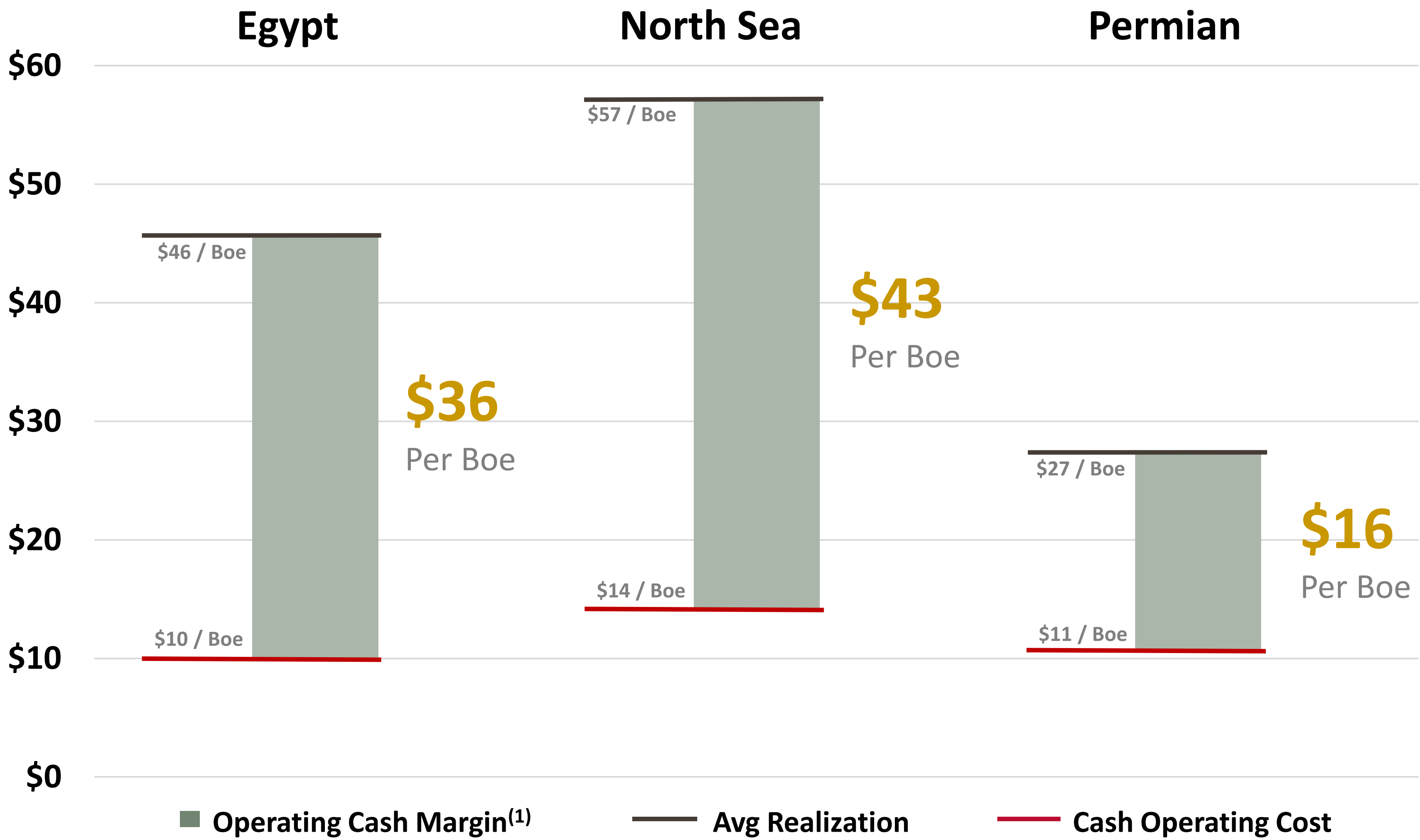
3
Avg Rigs

NET PRODUCTION MBOE/D

*Operated wells completed but not necessarily placed onto production.

1Q 2019 OPERATING CASH MARGINS

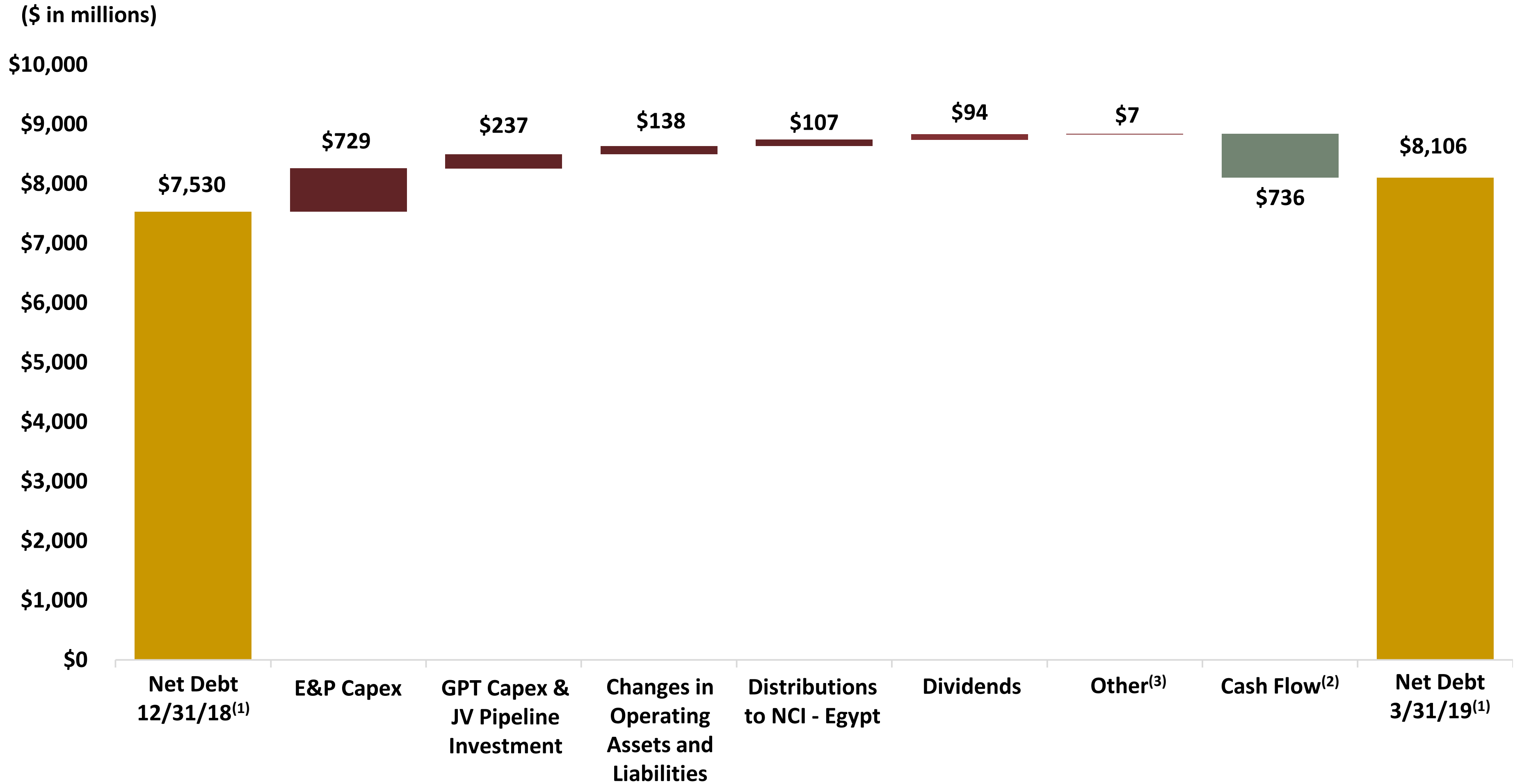
Brent Oil Price Exposure Drives Strong International Margins



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

CONSOLIDATED NET DEBT RECONCILIATION

1Q 2019



(1) For a reconciliation to the most directly comparable GAAP financial measure please refer to the Non-GAAP Reconciliations.
(2) Net cash provided by operating activities before changes in operating assets and liabilities. For a reconciliation to the most directly comparable GAAP financial measure please refer to the Non-GAAP Reconciliations.
(3) Includes leasehold & property acquisitions and asset sales.

2019 GUIDANCE

	Updated Guidance
Daily Production (MBOE/D)	**2019**
United States	290 - 300
International	195 - 200
Reported Production	485 - 500
Less: Egypt Tax Barrels	29
Less: Egypt Noncontrolling Interest	36
Total Adjusted Production	420 - 435
Alpine High	75 - 80
Estimated Product Mix: Oil/NGLs/Natural Gas	
United States	37% / 26% / 37%
International (Adjusted)	70% / 2% / 28%
Upstream Capital Investment Guidance ($ in Billions)(1)	
United States	75%
International	25%
Upstream Total	$2.4
Income Statement Items	
Upstream Lease Operating Expenses ($ per BOE)	$8.00
Gathering, Processing, and Transmission ($ in millions)(2)	$400
DD&A ($ per BOE)	$14.25
Cash Exploration Costs ($ in millions)(3)	$100
General and Administrative Expenses ($ in millions)	$450
Financing Costs ($ in millions)	$400
North Sea Current Tax Expense ($ in millions)	$240

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

(2) Represents combination of 100% Altus Midstream Company operating expense and Apache upstream GPT costs.

(3) Excludes dry hole and unproved leasehold impairments.

2Q 2019 GUIDANCE

Quarterly Guidance	New 2Q 2019 Guidance
Production (Mboe/d)	
United States[1]..	260
International (Adjusted)..	132
Total Adjusted Production..	392
Alpine High..	45 - 55
Upstream Capital Investments ($ in millions)[2]..	$650 - $700
Upstream Lease Operating Expenses ($ per BOE)..	$8.70
Gathering, Processing, and Transmission ($ in millions)[3]..	$90
Cash Exploration Costs ($ in millions)[4]..	$40
General and Administrative Expenses ($ in millions)..	$120
North Sea Current Tax Expense ($ in millions)..	$70
North Sea Cash Taxes Paid ($ in millions)..	$0

(1) Volumes associated with announced sales under contract have not been removed.

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

(3) Represents combination of 100% Altus Midstream Company operating expense and Apache upstream GPT costs.

(4) Excludes dry hole and unproved leasehold impairments.

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- **Appendix**
- Non-GAAP Reconciliations

GLOSSARY OF REFERENCED TERMS

- **Upstream Capital Investment:** Includes exploration, development, gathering, processing, and transmission capital, capitalized overhead, and settled asset retirement obligations, and excludes capitalized interest, non-cash asset retirement additions and revisions, and Egypt noncontrolling interest, in each case associated with Apache's upstream business.
- **CROIC (Cash Return On Invested Capital):** Calculated with the numerator as cash flow from operations before changes in working capital, excluding Egypt noncontrolling interest, with financing costs added back; and the denominator as average debt plus average Apache shareholders' equity.
- **Net Debt**: Total debt (long-term and short-term) less cash and cash equivalents.
- **Free Cash Flow:** Excess cash flow from operations before working capital changes after upstream capital investment, distributions to noncontrolling interest and dividend payments. The impacts of ALTM are excluded from this definition, as future development of the ALTM midstream assets is expected to be separately funded by ALTM.
- **Cash Flow Neutrality:** Free Cash Flow equal to zero.

In addition to the terms above, a list of commonly used definitions and abbreviations can be found in Apache's Form 10-K for the year ended December 31, 2018.

UPSTREAM CAPITAL INVESTMENT

($ in Millions)	1Q19	
Permian……………………………………….	$	415
MidCon / Gulf Coast……………………..		18
Gulf of Mexico…………………………….		12
United States…..……………………		445
Egypt (Apache's interest only)……….		88
North Sea……………………………………		62
Other………………………………………....		2
Upstream Capital Investment Total………….	$	597

For a reconciliation of Cost Incurred to Upstream Capital Investment please refer to the Non-GAAP Reconciliations.

OPEN COMMODITY DERIVATIVE POSITIONS

As of April 30, 2019

Oil Basis Hedges

Production Period	Index	BBL (per day)	Weighted Average Price Differential
April - September 2019	Midland/WTI	27,000	(8.60)
October - December 2019	Midland/WTI	15,000	(3.72)

Natural Gas Collars

Production Period	Index	MMBtu (per day)	Weighted Average Price Floor	Weighted Average Price Ceiling
April - June 2019	NYMEX Henry Hub	100,000	3.00	3.92

Natural Gas Basis Hedges

		Basis Swaps Purchased		Basis Swaps Sold	
Production Period	Index	MMBtu (per day)	Weighted Average Price Differential	MMBtu (per day)	Weighted Average Price Differential
April - June 2019	EP Perm/NYMEX			120,000	(1.58)
April - June 2019	Waha/NYMEX	120,000	(1.74)		
April - June 2019	Waha/NYMEX			180,000	(0.53)
April - December 2019	Waha/NYMEX			40,000	(0.45)

EGYPT: PRODUCTION DETAIL

	4Q 2018			1Q 2019		
	Liquids (Bbls/d)	Gas (Mcf/d)	Boe/d	Liquids (Bbls/d)	Gas (Mcf/d)	Boe/d
Gross Production	209,684	751,848	334,992	206,050	755,715	332,003
Reported Production	86,980	291,196	135,513	92,766	315,508	145,351
% Gross	41%	39%	40%	45%	42%	44%
Less: Tax Barrels	17,075	42,031	24,080	19,265	43,831	26,571
Net Production Excluding Tax Barrels	69,905	249,165	111,433	73,501	271,677	118,780
% Gross	33%	33%	33%	36%	36%	36%
Less: Noncontrolling Interest	23,301	83,056	37,144	24,500	90,559	39,593
Adjusted Production	46,604	166,109	74,289	49,001	181,118	79,187
% Gross	22%	22%	22%	24%	24%	24%

	2017				2018				2019
MBOE/D	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Gross Production	328	334	339	334	330	342	338	335	332
Reported Production	171	162	158	160	154	154	153	136	145
Adjusted Production	88	89	87	82	80	80	78	74	79
Brent Oil Benchmark Pricing	$53	$48	$51	$61	$67	$75	$76	$69	$64

Apache

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.

($ in millions, except per share data)

	For the Quarter Ended March 31, 2019				For the Quarter Ended March 31, 2018			
	Before Tax	Tax Impact	After Tax	Diluted EPS	Before Tax	Tax Impact	After Tax	Diluted EPS
Income including noncontrolling interest (GAAP)	$ 165	$ (167)	$ (2)	$ (0.01)	$ 388	$ (182)	$ 206	$ 0.54
Income attributable to noncontrolling interest	85	(40)	45	0.11	112	(51)	61	0.16
Net income attributable to common stock	80	(127)	(47)	(0.12)	276	(131)	145	0.38
Adjustments: *								
Unrealized derivative instrument (gain)/loss	45	(10)	35	0.10	(49)	10	(39)	(0.10)
Valuation allowance and other tax adjustments	-	31	31	0.08	-	1	1	-
Asset impairments	23	(5)	18	0.04	16	(3)	13	0.03
Transaction, reorganization & separation costs	4	(1)	3	0.01	-	-	-	-
Modification of stock comp plans	-	-	-	-	14	(4)	10	0.02
Gain on divestitures	(3)	1	(2)	(0.01)	(7)	1	(6)	(0.01)
Adjusted earnings (Non-GAAP)	$ 149	$ (111)	$ 38	$ 0.10	$ 250	$ (126)	$ 124	$ 0.32

* 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		
	March 31, 2019	December 31, 2018	March 31, 2018
Net cash provided by operating activities	$ 598	$ 1,043	$ 615
Adjustments:			
Exploration expense other than dry hole expense and unproved leasehold impairments	36	34	40
Current income tax provision	186	185	198
Other adjustments to reconcile net income to net cash provided by operating activities	(9)	(29)	(39)
Changes in operating assets and liabilities	138	(191)	174
Financing costs, net (excluding loss on early extinguishment of debt)	97	93	99
Transaction, reorganization & separation costs	4	8	-
Adjusted EBITDAX (Non-GAAP)	$ 1,050	$ 1,143	$ 1,087

NON-GAAP RECONCILIATION

Regional 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 continuing 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 March 31, 2019			
	North Sea	Egypt	U.S. and Other	Consolidated
	($ in millions)			
Net cash provided by operating activities	$ 154	$ 333	$ 111	$ 598
Changes in operating assets and liabilities	35	2	101	138
Cash flows from operations before changes in operating assets and liabilities	$ 189	$ 335	$ 212	$ 736

(1) Includes non-controlling interest in Egypt.

NON-GAAP RECONCILIATION

Cash Flow From Operations Before Changes in Operating Assets and Liabilities

Reconciliation of Net Cash Provided by Operating Activities to Cash Flows from 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.

($ in millions)

	For the Quarter Ended		
	March 31, 2019	December 31, 2018	March 31, 2018
Net cash provided by operating activities	$ 598	$ 1,043	$ 615
Changes in operating assets and liabilities	138	(191)	174
Cash flows from operations before changes in operating assets and liabilities	$ 736	$ 852	$ 789

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)

	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Current debt	$ 339	$ 151	$ 151	$ 401	$ 401
Long-term debt	8,094	8,093	8,092	7,976	7,975
Total debt	8,433	8,244	8,243	8,377	8,376
Cash and cash equivalents	327	714	593	972	1,077
Net debt	$ 8,106	$ 7,530	$ 7,650	$ 7,405	$ 7,299

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 Apache'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 obligations revisions and liabilities incurred, capitalized interest, and certain exploration expenses, while including amounts paid during the period for abandonment and decommissioning expenditures. Capital expenditures attributable to a one-third noncontrolling interest in Egypt are also excluded. Management believes this provides a more accurate reflection of Apache'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,	
	2019	2018
Costs incurred in oil and gas property:		
Acquisitions		
Proved	$ -	$ 5
Unproved	19	7
Exploration and development	655	817
Total Costs incurred in oil and gas property	$ 674	$ 829
Reconciliation of Costs incurred to Upstream capital investment:		
Total Costs incurred in oil and gas property	$ 674	$ 829
Asset retirement obligations settled vs. incurred - oil and gas property	10	6
Capitalized interest	(8)	(11)
Exploration expense other than dry hole expense and unproved leasehold impairments	(36)	(40)
Less noncontrolling interest	(43)	(52)
Total Upstream capital investment	$ 597	$ 732