

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A

(MARK ONE)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2003,
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NUMBER 1-4300

APACHE CORPORATION

A DELAWARE CORPORATION

IRS EMPLOYER NO. 41-0747868

ONE POST OAK CENTRAL
2000 POST OAK BOULEVARD, SUITE 100
HOUSTON, TEXAS 77056-4400
TELEPHONE NUMBER (713) 296-6000

Securities Registered Pursuant to Section 12(b) of the Act:

NAME OF EACH
EXCHANGE TITLE
OF EACH CLASS
ON WHICH
REGISTERED ----

---- Common
Stock, \$0.625
par value New
York Stock
Exchange
Chicago Stock
Exchange
Preferred Stock
Purchase Rights
New York Stock
Exchange
Chicago Stock
Exchange Apache
Finance Canada
Corporation New
York Stock
Exchange 7.75%
Notes Due 2029
Irrevocably and
Unconditionally
Guaranteed by
Apache
Corporation

Securities Registered Pursuant to Section 12(g) of the Act:

Common Stock, \$0.625 par value

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements

incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. []

Indicate by check whether registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). [X]

Aggregate market value of the voting and non-voting common equity held by non-affiliates of registrant as of June 30, 2003.....	\$10,526,544,439
Number of shares of registrant's common stock outstanding as of February 29, 2004.....	325,035,928

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of registrant's proxy statement relating to registrant's 2004 annual meeting of stockholders have been incorporated by reference into Part III hereof.

EXPLANATORY NOTE

Amendment No. 1 to Apache Corporation's Form 10-K for the year ended December 31, 2003 is being filed to include three exhibits that were inadvertently omitted from the original 10-K filing submitted on March 12, 2003. Included in this filing is Part IV, the signature page, and the Exhibit Index. There have been no changes to the balance of the Form 10-K from the original filing.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) Documents included in this report:

1. Financial Statements

Report of management.....	F-1
Report of Independent Auditors.....	F-2
Report of independent public accountants.....	F-3
Statement of consolidated operations for each of the three years in the period ended December 31, 2003.....	F-4
Statement of consolidated cash flows for each of the three years in the period ended December 31, 2003.....	F-5
Consolidated balance sheet as of December 31, 2003 and 2002.....	F-6
Statement of consolidated shareholders' equity for each of the three years in the period ended December 31, 2003.....	F-7
Notes to consolidated financial statements.....	F-8

2. Financial Statement Schedules

Financial statement schedules have been omitted because they are either not required, not applicable or the information required to be presented is included in the Company's financial statements and related notes.

3. Exhibits

EXHIBIT NO.
DESCRIPTION

----- 2.1
-- Agreement
and Plan of
Merger among
Registrant,
YPY
Acquisitions,
Inc. and The
Phoenix
Resource
Companies,
Inc., dated
March 27,
1996
(incorporated
by reference
to Exhibit
2.1 to
Registrant's
Registration
Statement on
Form S-4,
Registration
No. 333-
02305, filed
April 5,
1996). 2.2 -
- Purchase
and Sale
Agreement by
and between
BP
Exploration
& Production
Inc., as
seller, and
Registrant,
as buyer,
dated
January 11,
2003
(incorporated
by reference
to Exhibit

2.1 to
Registrant's
Current
Report on
Form 8-K,
dated and
filed

January 13,
2003, SEC
File No. 1-
4300). 2.3 -

- Sale and
Purchase
Agreement by
and between
BP

Exploration
Operating
Company
Limited, as
seller, and
Apache North
Sea Limited,
as buyer,
dated
January 11,
2003

(incorporated
by reference
to Exhibit

2.2 to
Registrant's
Current
Report on
Form 8-K,
dated and
filed

January 13,
2003, SEC
File No. 1-
4300). **3.1

-- Restated
Certificate
of
Incorporation
of

Registrant,
dated
February 11,
2004, as
filed with
the

Secretary of
State of
Delaware on
February 12,
2004. **3.2

-- Bylaws of
Registrant,
as amended
February 5,
2004. 4.1 --

Form of
Certificate
for
Registrant's
Common Stock

(incorporated
by reference
to Exhibit

4.1 to
Registrant's
Annual
Report on
Form 10-K
for year
ended

December 31,
1995, SEC
File No. 1-
4300). 4.2 -
- Form of

Certificate
for
Registrant's
5.68%
Cumulative
Preferred
Stock,
Series B
(incorporated
by reference
to Exhibit
4.2 to
Amendment
No. 2 on
Form 8-K/A
to
Registrant's
Current
Report on
Form 8-K,
dated and
filed April
18, 1998,
SEC File No.
1-4300).

EXHIBIT NO.
DESCRIPTION -

----- 4.3 --
Form of
Certificate
for
Registrant's
Automatically
Convertible
Equity
Securities,
Conversion
Preferred
Stock, Series
C

(incorporated
by reference
to Exhibit
99.8 to
Amendment No.
1 on Form 8-
K/A to
Registrant's
Current
Report on
Form 8-K,
dated and
filed April
29, 1999, SEC
File No. 1-
4300). 4.4 --

Rights
Agreement,
dated January
31, 1996,
between
Registrant
and Norwest
Bank
Minnesota,
N.A., rights
agent,
relating to
the
declaration
of a rights
dividend to
Registrant's
common
shareholders
of record on
January 31,
1996

(incorporated
by reference
to Exhibit
(a) to
Registrant's
Registration
Statement on
Form 8-A,
dated January
24, 1996, SEC
File No. 1-
4300). 10.1 -

- Credit
Agreement,
dated June
12, 1997,
among
Registrant,
the lenders
named
therein,
Morgan
Guaranty
Trust
Company, as
Global

Documentation
Agent and
U.S.
Syndication
Agent, The
First
National Bank
of Chicago,
as U.S.
Documentation
Agent,
NationsBank
of Texas,
N.A., as Co-
Agent, Union
Bank of
Switzerland,
Houston
Agency, as
Co-Agent, and
The Chase
Manhattan
Bank, as
Global
Administrative
Agent
(incorporated
by reference
to Exhibit
10.1 to
Registrant's
Current
Report on
Form 8-K,
dated June
13, 1997,
filed June
25, 1997, SEC
File No. 1-
4300). 10.2 -
- Form of
Credit
Agreement,
dated as of
June 3, 2002,
among
Registrant,
the Lenders
named
therein,
JPMorgan
Chase Bank,
as Global
Administrative
Agent, Bank
of America,
N.A., as
Global
Syndication
Agent,
Citibank,
N.A., as
Global
Documentation
Agent, Bank
of America,
N.A. and
Wachovia
Bank,
National
Association,
as U.S. Co-
Syndication
Agents, and
Citibank,
N.A. and
Union Bank of
California,
N.A., as U.S.
Co-
Documentation
Agents

(excluding exhibits and schedules) (incorporated by reference to Exhibit 10.2 to Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002, SEC File No. 1-4300). 10.3 - Form of 364-Day Credit Agreement, dated as of June 3, 2002, among Registrant, the Lenders named therein, JPMorgan Chase Bank, as Global Administrative Agent, Bank of America, N.A., as Global Syndication Agent, Citibank, N.A., as Global Documentation Agent, Bank of America, N.A. and BNP Paribas, as 364-Day Co-Syndication Agents, and Deutsche Bank AG, New York Branch, and Societe Generale, as 364-Day Co-Docmentation Agents (excluding exhibits and schedules) (incorporated by reference to Exhibit 10.3 to Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002, SEC File No. 1-4300). 10.4 - Credit Agreement, dated June 12, 1997, among Apache Canada Ltd., a wholly-owned subsidiary of the

Registrant,
the Lenders
named
therein,
Morgan
Guaranty
Trust
Company, as
Global
Documentation
Agent, Royal
Bank of
Canada, as
Canadian
Documentation
Agent, The
Chase
Manhattan
Bank of
Canada, as
Canadian
Syndication
Agent, Bank
of Montreal,
as Canadian
Administrative
Agent, and
The Chase
Manhattan
Bank, as
Global
Administrative
Agent
(incorporated
by reference
to Exhibit
10.2 to
Registrant's
Current
Report on
Form 8-K,
dated June
13, 1997,
filed June
25, 1997, SEC
File No. 1-
4300). 10.5 -
- Form of
Credit
Agreement,
dated as of
June 3, 2002,
among Apache
Canada Ltd, a
wholly-owned
subsidiary of
Registrant,
the Lenders
named
therein,
JPMorgan
Chase Bank,
as Global
Administrative
Agent, Bank
of America,
N.A., as
Global
Syndication
Agent,
Citibank,
N.A., as
Global
Documentation
Agent, Royal
Bank of
Canada, as
Canadian
Administrative
Agent, The
Bank of Nova
Scotia and

The Toronto-Dominion Bank, as Canadian Co-Syndication Agents, and BNP Paribas (Canada) and Bayerische Landesbank Girozentrale, as Canadian Co-Documentation Agents (excluding exhibits and schedules) (incorporated by reference to Exhibit 10.4 to Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002, SEC File No. 1-4300).

EXHIBIT NO.
DESCRIPTION -

----- 10.6 --
Credit
Agreement,
dated June
12, 1997,
among Apache
Energy
Limited and
Apache Oil
Australia Pty
Limited,
wholly-owned
subsidiaries
of the
Registrant,
the Lenders
named
therein,
Morgan
Guaranty
Trust
Company, as
Global
Documentation
Agent, Bank
of America
National
Trust and
Savings
Association,
Sydney
Branch, as
Australian
Documentation
Agent, The
Chase
Manhattan
Bank, as
Australian
Syndication
Agent,
Citisecurities
Limited, as
Australian
Administrative
Agent, and
The Chase
Manhattan
Bank, as
Global
Administrative
Agent
(incorporated
by reference
to Exhibit
10.3 to
Registrant's
Current
Report on
Form 8-K,
dated June
13, 1997,
filed June
25, 1997, SEC
File No. 1-
4300). 10.7 -
- Form of
Credit
Agreement,
dated as of
June 3, 2002,
among Apache
Energy
Limited, a
wholly-owned
subsidiary of
Registrant,

the Lenders
named
therein,
JPMorgan
Chase Bank,
as Global
Administrative
Agent, Bank
of America,
N.A., as
Global
Syndication
Agent,
Citibank,
N.A., as
Global
Documentation
Agent,
Citisecurities
Limited, as
Australian
Administrative
Agent, Bank
of America,
N.A., Sydney
Branch, and
Deutsche Bank
AG, Sydney
Branch, as
Australian
Co-
Syndication
Agents, and
Royal Bank of
Canada and
Bank One, NA,
Australia
Branch, as
Australian
Co-
Documentation
Agents
(excluding
exhibits and
schedules)
(incorporated
by reference
to Exhibit
10.5 to
Registrant's
Quarterly
Report on
Form 10-Q for
the quarter
ended June
30, 2002, SEC
File No. 1-
4300). 10.8 -
- Concession
Agreement for
Petroleum
Exploration
and
Exploitation
in the Khalda
Area in
Western
Desert of
Egypt by and
among Arab
Republic of
Egypt, the
Egyptian
General
Petroleum
Corporation
and Phoenix
Resources
Company of
Egypt, dated
April 6, 1981
(incorporated

by reference
to Exhibit
19(g) to
Phoenix's
Annual Report
on Form 10-K
for year
ended
December 31,
1984, SEC
File No. 1-
547). 10.9 --
Amendment,
dated July
10, 1989, to
Concession
Agreement for
Petroleum
Exploration
and
Exploitation
in the Khalda
Area in
Western
Desert of
Egypt by and
among Arab
Republic of
Egypt, the
Egyptian
General
Petroleum
Corporation
and Phoenix
Resources
Company of
Egypt
incorporated
by reference
to Exhibit
10(d)(4) to
Phoenix's
Quarterly
Report on
Form 10-Q for
quarter ended
June 30,
1989, SEC
File No. 1-
547). 10.10 -
- Farmout
Agreement,
dated
September 13,
1985 and
relating to
the Khalda
Area
Concession,
by and
between
Phoenix
Resources
Company of
Egypt and
Conoco Khalda
Inc.
(incorporated
by reference
to Exhibit
10.1 to
Phoenix's
Registration
Statement on
Form S-1,
Registration
No. 33-1069,
filed October
23, 1985).
10.11 --
Amendment,
dated March

30, 1989, to
Farmout
Agreement
relating to
the Khalda
Area
Concession,
by and
between
Phoenix
Resources
Company of
Egypt and
Conoco Khalda
Inc.

(incorporated
by reference
to Exhibit
10(d)(5) to
Phoenix's
Quarterly
Report on
Form 10-Q for
quarter ended
June 30,
1989, SEC

File No. 1-
547). 10.12 -
- Amendment,
dated May 21,
1995, to
Concession
Agreement for
Petroleum
Exploration
and
Exploitation
in the Khalda
Area in
Western
Desert of
Egypt between
Arab Republic
of Egypt, the
Egyptian
General
Petroleum
Corporation,
Repsol

Exploracion
Egipto S.A.,
Phoenix
Resources
Company of
Egypt and
Samsung
Corporation
(incorporated
by reference
to Exhibit
10.12 to
Registrant's
Annual Report
on Form 10-K
for year
ended
December 31,
1997, SEC

File No. 1-
4300). 10.13
-- Concession
Agreement for
Petroleum
Exploration
and
Exploitation
in the Qarun
Area in
Western
Desert of
Egypt,
between Arab

between Arab

Republic of
Egypt, the
Egyptian
General
Petroleum
Corporation,
Phoenix
Resources
Company of
Qarun and
Apache Oil
Egypt, Inc.,
dated May 17,
1993
(incorporated
by reference
to Exhibit
10(b) to
Phoenix's
Annual Report
on Form 10-K
for year
ended
December 31,
1993, SEC
File No. 1-
547).

EXHIBIT NO.
DESCRIPTION -----

10.14 --
Agreement for
Amending the Gas
Pricing
Provisions under
the Concession
Agreement for
Petroleum
Exploration and
Exploitation in
the Qarun Area,
effective June
16, 1994
(incorporated by
reference to
Exhibit 10.18 to
Registrant's
Annual Report on
Form 10-K for
year ended
December 31,
1996, SEC File
No. 1-4300).
+10.15 -- Apache
Corporation
Corporate
Incentive
Compensation Plan
A (Senior
Officers' Plan),
dated July 16,
1998
(incorporated by
reference to
Exhibit 10.13 to
Registrant's
Annual Report on
Form 10-K for
year ended
December 31,
1998, SEC File
No. 1-4300).
+10.16 -- Apache
Corporation
Corporate
Incentive
Compensation Plan
B (Strategic
Objectives
Format), dated
July 16, 1998
(incorporated by
reference to
Exhibit 10.14 to
Registrant's
Annual Report on
Form 10-K for
year ended
December 31,
1998, SEC File
No. 1-4300).
+10.17 -- Apache
Corporation
401(k) Savings
Plan, dated
August 1, 2002
(incorporated by
reference to
Exhibit 10.1 to
Registrant's
Quarterly Report
on Form 10-Q for
the quarter ended
September 30,
2002, SEC File
No. 1-4300).
+10.18 --

Amendment to
Apache
Corporation
401(k) Savings
Plan, dated
January 27, 2003,
effective January
1, 2003

(incorporated by
reference to
Exhibit 10.18 to
Registrant's
Annual Report on
Form 10-K, as
amended by Form
10-K/A, for year
ended December
31, 2002, SEC
File No. 1-4300).

+10.19 -- Apache
Corporation Money
Purchase
Retirement Plan,
dated August 1,
2002

(incorporated by
reference to
Exhibit 10.2 to
Registrant's
Quarterly Report
on Form 10-Q for
the quarter ended
September 30,
2002, SEC File
No. 1-4300).

+10.20 --
Amendment to
Apache
Corporation Money
Purchase
Retirement Plan,
dated January 27,
2003, effective
January 1, 2003

(incorporated by
reference to
Exhibit 10.20 to
Registrant's
Annual Report on
Form 10-K for
year ended
December 31,
2002, SEC File
No. 1-4300).

+10.21 -- Non-
Qualified
Retirement/Savings
Plan of Apache
Corporation,
restated January
1, 1997, and
amendments
effective January
1, 1997, January
1, 1998 and
January 1, 1999

(incorporated by
reference to
Exhibit 10.17 to
Registrant's
Annual Report on
Form 10-K for
year ended
December 31,
1998, SEC File
No. 1-4300).

+10.22 --
Amendment to Non-
Qualified
Retirement/Savings
Plan of Apache
Corporation,

dated February
22, 2000,
effective January
1, 1999

(incorporated by
reference to
Exhibit 4.7 to
Registrant's
Registration
Statement on Form
S-8, Registration
No. 333-31092,
filed February
25, 2000); and
Amendment dated
July 27, 2000

(incorporated by
reference to
Exhibit 4.8 to
Amendment No. 1
to Registrant's
Registration
Statement on Form
S-8, Registration
No. 333-31092,
filed August 18,
2000). +10.23 --
Amendment to Non-
Qualified

Retirement/Savings
Plan of Apache
Corporation,
dated August 3,
2001, effective
September 1, 2000
and July 1, 2001

(incorporated by
reference to
Exhibit 10.13 to
Registrant's
Quarterly Report
on Form 10-Q, as
amended by Form
10-Q/A, for the
quarter ended
June 30, 2001,
SEC File No. 1-
4300). +*10.24 --

Amendment to Non-
Qualified
Retirement/Savings
Plan of Apache
Corporation,
dated December
18, 2003,
effective January
1, 2004. +10.25 -
- Apache

Corporation 1990
Stock Incentive
Plan, as amended
and restated
September 13,
2001

(incorporated by
reference to
Exhibit 10.01 to
Registrant's
Quarterly Report
on Form 10-Q, as
amended by Form
10-Q/A, for the
quarter ended
September 30,
2001, SEC File
No. 1-4300).

+10.26 -- Apache
Corporation 1995
Stock Option
Plan, as amended
and restated
September 13,

2001
(incorporated by
reference to
Exhibit 10.02 to
Registrant's
Quarterly Report
on Form 10-Q for
the quarter ended
September 30,
2001, as amended
by Form 10-Q/A,
SEC File No. 1-
4300). +*10.27 --
Apache
Corporation 2000
Share
Appreciation
Plan, as amended
and restated
February 5, 2004.

EXHIBIT NO.
DESCRIPTION

+10.28 --
Apache
Corporation
1996
Performance
Stock Option
Plan, as
amended and
restated
September
13, 2001
(incorporated
by reference
to Exhibit
10.03 to
Registrant's
Quarterly
Report on
Form 10-Q,
as amended
by Form 10-
Q/A, for the
quarter
ended
September
30, 2001,
SEC File No.
1-4300).

+10.29 --
Apache
Corporation
1998 Stock
Option Plan,
as amended
and restated
September
13, 2001
(incorporated
by reference
to Exhibit
10.04 to
Registrant's
Quarterly
Report on
Form 10-Q,
as amended
by Form 10-
Q/A, for the
quarter
ended
September
30, 2001,
SEC File No.
1-4300).

+10.30 --
Apache
Corporation
2000 Stock
Option Plan,
as amended
and restated
March 5,
2003
(incorporated
by reference
to Exhibit
4.5 to
Registrant's
Registration
Statement on
Form S-8,
Registration
No. 333-
103758,
filed March

12, 2003).
+*10.31 --
Apache
Corporation
2003 Stock
Appreciation
Rights Plan,
dated and
effective
May 1, 2003.

+10.32 --
1990
Employee
Stock Option
Plan of The
Phoenix
Resource
Companies,
Inc., as
amended
through
September
29, 1995,
effective
April 9,
1990

(incorporated
by reference
to Exhibit
10.33 to
Registrant's
Annual
Report on
Form 10-K
for year
ended
December 31,
1996, SEC
File No. 1-
4300).

+10.33 --
Apache
Corporation
Income
Continuance
Plan, as
amended and
restated May
3, 2001

(incorporated
by reference
to Exhibit
10.30 to
Registrant's
Annual
Report on
Form 10-K
for the year
ended
December 31,
2001, SEC
File No. 1-
4300).

+10.34 --
Apache
Corporation
Deferred
Delivery
Plan, as
amended and
restated
December 18,
2002,
effective
May 2, 2002

(incorporated
by reference
to Exhibit
4.5 to Post-
Effective
Amendment
No. 2 to

Registrant's
Registration
Statement on
Form S-8,
Registration
No. 333-
31092, filed
March 11,
2003).

+10.35 --

Apache
Corporation
Executive
Restricted
Stock Plan,
as amended
and restated
December 18,
2002,
effective
May 2, 2002
(incorporated
by reference
to Exhibit
4.5 to Post
Effective
Amendment

No. 1 to

Registrant's
Registration
Statement on
Form S-8,
Registration
No. 333-
97403, filed
December 30,
2002).

+10.36 --

Apache
Corporation
Non-Employee
Directors'
Compensation
Plan, as
amended and
restated May
1, 2003,
effective

July 1, 2003
(incorporated
by reference
to Exhibit

10.1 to

Registrant's
Quarterly
Report on
Form 10-Q,
as amended
by Form 10-
Q/A, for the
quarter
ended June
30, 2003,
SEC File No.
1-4300).

+10.37 --

Apache
Corporation
Outside
Directors'
Retirement
Plan, as
amended and
restated May
3, 2001

(incorporated
by reference
to Exhibit

10.08 to

Registrant's
Quarterly
Report on

Form 10-Q,
as amended
by Form 10-
Q/A, for the
quarter
ended June
30, 2001,
SEC File No.
1-4300).

**+10.38 --

Apache
Corporation
Equity
Compensation
Plan for
Non-Employee
Directors,
as amended
and restated
February 5,
2004. +10.39
-- Amended
and Restated
Employment
Agreement,
dated
December 5,
1990,
between
Registrant
and Raymond
Plank

(incorporated
by reference
to Exhibit
10.39 to
Registrant's
Annual
Report on
Form 10-K
for year
ended

December 31,
1996, SEC
File No. 1-
4300).

+10.40 --

First
Amendment,
dated April
4, 1996, to
Restated
Employment
Agreement
between
Registrant
and Raymond
Plank

(incorporated
by reference
to Exhibit
10.40 to
Registrant's
Annual
Report on
Form 10-K
for year
ended

December 31,
1996, SEC
File No. 1-
4300).

+10.41 --

Amended and
Restated
Employment
Agreement,
dated
December 20,
1990,
between
Registrant

and John A.
Kocur
(incorporated
by reference
to Exhibit
10.10 to
Registrant's
Annual
Report on
Form 10-K
for year
ended
December 31,
1990, SEC
File No. 1-
4300).

EXHIBIT NO.
DESCRIPTION

+10.42 --
Employment
Agreement,
dated June
6, 1988,
between
Registrant
and G.
Steven
Farris
(incorporated
by reference
to Exhibit
10.6 to
Registrant's
Annual
Report on
Form 10-K
for year
ended
December 31,
1989, SEC
File No. 1-
4300).

+10.43 --
Amended and
Restated
Conditional
Stock Grant
Agreement,
dated June
6, 2001,
between
Registrant
and G.
Steven
Farris
(incorporated
by reference
to Exhibit
10.10 to
Registrant's
Quarterly
Report on
Form 10-Q,
as amended
by Form 10-
Q/A, for the
quarter
ended June
30, 2001,
SEC File No.
1-4300).

10.44 --
Amended and
Restated Gas
Purchase
Agreement,
effective
July 1,
1998, by and
among
Registrant
and MW
Petroleum
Corporation,
as seller,
and
Producers
Energy
Marketing,
LLC, as
buyer
(incorporated
by reference

to Exhibit
10.1 to
Registrant's
Current
Report on
Form 8-K,
dated June
18, 1998,
filed June
23, 1998,
SEC File No.
1-4300).

10.45 --
Deed of
Guaranty and
Indemnity,
dated
January 11,
2003, made
by
Registrant
in favor of
BP
Exploration
Operating
Company
Limited
(incorporated
by reference
to

Registrant's
Current
Report on
Form 8-K,
dated and
filed
January 13,
2003, SEC
File No. 1-
4300).

**12.1 --
Statement of
Computation
of Ratios of
Earnings to
Fixed
Charges and
Combined
Fixed
Charges and
Preferred
Stock
Dividends

**14.1 --
Code of
Business
Conduct
**21.1 --

Subsidiaries
of

Registrant
**23.1 --
Consent of
Ernst &
Young LLP
**23.2 --

Consent of
Ryder Scott
Company
L.P.,
Petroleum
Consultants

**24.1 --
Power of
Attorney
(included as
a part of
the
signature
pages to
this report)

**31.1 --

Certification
of Chief
Executive
Officer

**31.2 --

Certification
of Chief
Financial
Officer

**32.1 --

Certification
of Chief
Executive
Officer and
Chief
Financial
Officer

- - - - -
* Filed herewith.

** Previously filed

+ Management contracts or compensatory plans or arrangements required to be
filed herewith pursuant to Item 15 hereof.

NOTE: Debt instruments of the Registrant defining the rights of long-term
debt holders in principal amounts not exceeding 10 percent of the
Registrant's consolidated assets have been omitted and will be provided to
the Commission upon request.

(b) Reports filed on Form 8-K

The following current reports on Form 8-K were filed by the Company during
the fiscal quarter ended December 31, 2003:

Item 5 -- Other Events -- dated December 18, 2003, filed December 22, 2003

On December 18, 2003, Apache announced that (i) the holders of its common
stock approved a proposal to increase the number of authorized common shares
to 430 million from 215 million in order to complete the previously announced
two-for-one stock split and (ii) the record date for the stock split was
December 31, 2003, with the additional shares distributed January 14, 2004.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this amended report to be signed on its behalf by the undersigned, thereunto duly authorized.

APACHE CORPORATION

/s/ G. STEVEN FARRIS*

G. Steven Farris
President, Chief Executive Officer and
Chief Operating Officer

Dated: March 15, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934, this amended report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

NAME TITLE
DATE ----

/s/ G.
STEVEN
FARRIS*
Director,
President,
Chief
March 15,
2004 -----

Executive
Officer
and Chief
G. Steven
Farris
Operating
Officer
(Principal
Executive
Officer)
/s/ ROGER
B. PLANK*
Executive
Vice
President
and March
15, 2004 -

--- Chief
Financial
Officer
Roger B.
Plank
(Principal
Financial
Officer)
/s/ THOMAS
L.
MITCHELL*
Vice
President

and
Controller
March 15,
2004 -----

(Principal
Accounting
Thomas L.
Mitchell
Officer)
/s/
RAYMOND
PLANK*
Chairman
of the
Board
March 15,
2004 -----

Raymond
Plank /s/
FREDERICK
M. BOHEN*
Director
March 15,
2004 -----

Frederick
M. Bohan
/s/
RANDOLPH
M. FERLIC*
Director
March 15,
2004 -----

Randolph
M. Ferlic
/s/ EUGENE
C.
FIEDOREK*
Director
March 15,
2004 -----

Eugene C.
Fiedorek
/s/ A. D.
FRAZIER,
JR.*
Director
March 15,
2004 -----

A. D.
Frazier,
Jr.

Rodman
D.
Patton
/s/
CHARLES
J.
PITMAN*
Director
March
15, 2004

Charles
J.
Pitman
/s/ JAY
A.
PRECOURT*
Director
March
15, 2004

Jay A.
Precourt
*By:/s/
P.
ANTHONY
LANNIE
March
15, 2004

- P.
Anthony
Lannie
Attorney-
in-Fact

INDEX TO EXHIBITS

EXHIBIT NO.
DESCRIPTION -

----- 2.1 --
Agreement and
Plan of
Merger among
Registrant,
YPY
Acquisitions,
Inc. and The
Phoenix
Resource
Companies,
Inc., dated
March 27,
1996
(incorporated
by reference
to Exhibit
2.1 to
Registrant's
Registration
Statement on
Form S-4,
Registration
No. 333-
02305, filed
April 5,
1996). 2.2 --
Purchase and
Sale
Agreement by
and between
BP
Exploration &
Production
Inc., as
seller, and
Registrant,
as buyer,
dated January
11, 2003
(incorporated
by reference
to Exhibit
2.1 to
Registrant's
Current
Report on
Form 8-K,
dated and
filed January
13, 2003, SEC
File No. 1-
4300). 2.3 --
Sale and
Purchase
Agreement by
and between
BP
Exploration
Operating
Company
Limited, as
seller, and
Apache North
Sea Limited,
as buyer,
dated January
11, 2003
(incorporated
by reference
to Exhibit
2.2 to
Registrant's
Current

Report on
Form 8-K,
dated and
filed January
13, 2003, SEC
File No. 1-
4300). **3.1
-- Restated
Certificate
of
Incorporation
of
Registrant,
dated
February 11,
2004, as
filed with
the Secretary
of State of
Delaware on
February 12,
2004. **3.2 -
- Bylaws of
Registrant,
as amended
February 5,
2004. 4.1 --
Form of
Certificate
for
Registrant's
Common Stock
(incorporated
by reference
to Exhibit
4.1 to
Registrant's
Annual Report
on Form 10-K
for year
ended
December 31,
1995, SEC
File No. 1-
4300). 4.2 --
Form of
Certificate
for
Registrant's
5.68%
Cumulative
Preferred
Stock, Series
B
(incorporated
by reference
to Exhibit
4.2 to
Amendment No.
2 on Form 8-
K/A to
Registrant's
Current
Report on
Form 8-K,
dated and
filed April
18, 1998, SEC
File No. 1-
4300). 4.3 --
Form of
Certificate
for
Registrant's
Automatically
Convertible
Equity
Securities,
Conversion
Preferred
Stock, Series
C

(incorporated
by reference
to Exhibit
99.8 to
Amendment No.
1 on Form 8-
K/A to
Registrant's
Current
Report on
Form 8-K,
dated and
filed April
29, 1999, SEC
File No. 1-
4300). 4.4 --
Rights
Agreement,
dated January
31, 1996,
between
Registrant
and Norwest
Bank
Minnesota,
N.A., rights
agent,
relating to
the
declaration
of a rights
dividend to
Registrant's
common
shareholders
of record on
January 31,
1996

(incorporated
by reference
to Exhibit
(a) to
Registrant's
Registration
Statement on
Form 8-A,
dated January
24, 1996, SEC
File No. 1-
4300). 10.1 -
- Credit
Agreement,
dated June
12, 1997,
among
Registrant,
the lenders
named
therein,
Morgan
Guaranty
Trust
Company, as
Global
Documentation
Agent and
U.S.
Syndication
Agent, The
First
National Bank
of Chicago,
as U.S.
Documentation
Agent,
NationsBank
of Texas,
N.A., as Co-
Agent, Union
Bank of
Switzerland,
Houston

Agency, as
Co-Agent, and
The Chase
Manhattan
Bank, as
Global
Administrative
Agent
(incorporated
by reference
to Exhibit
10.1 to
Registrant's
Current
Report on
Form 8-K,
dated June
13, 1997,
filed June
25, 1997, SEC
File No. 1-
4300). 10.2 -
- Form of
Credit
Agreement,
dated as of
June 3, 2002,
among
Registrant,
the Lenders
named
therein,
JPMorgan
Chase Bank,
as Global
Administrative
Agent, Bank
of America,
N.A., as
Global
Syndication
Agent,
Citibank,
N.A., as
Global
Documentation
Agent, Bank
of America,
N.A. and
Wachovia
Bank,
National
Association,
as U.S. Co-
Syndication
Agents, and
Citibank,
N.A. and
Union Bank of
California,
N.A., as U.S.
Co-
Documentation
Agents
(excluding
exhibits and
schedules)
(incorporated
by reference
to Exhibit
10.2 to
Registrant's
Quarterly
Report on
Form 10-Q for
the quarter
ended June
30, 2002, SEC
File No. 1-
4300).

EXHIBIT NO.
DESCRIPTION -

----- 10.3 -
- Form of
364-Day
Credit
Agreement,
dated as of
June 3, 2002,
among
Registrant,
the Lenders
named
therein,
JPMorgan
Chase Bank,
as Global
Administrative
Agent, Bank
of America,
N.A., as
Global
Syndication
Agent,
Citibank,
N.A., as
Global
Documentation
Agent, Bank
of America,
N.A. and BNP
Paribas, as
364-Day Co-
Syndication
Agents, and
Deutsche Bank
AG, New York
Branch, and
Societe
Generale, as
364-Day Co-
Documentation
Agents
(excluding
exhibits and
schedules)
(incorporated
by reference
to Exhibit
10.3 to
Registrant's
Quarterly
Report on
Form 10-Q for
the quarter
ended June
30, 2002, SEC
File No. 1-
4300). 10.4 -
- Credit
Agreement,
dated June
12, 1997,
among Apache
Canada Ltd.,
a wholly-
owned
subsidiary of
the
Registrant,
the Lenders
named
therein,
Morgan
Guaranty
Trust
Company, as
Global
Documentation

Agent, Royal
Bank of
Canada, as
Canadian
Documentation
Agent, The
Chase
Manhattan
Bank of
Canada, as
Canadian
Syndication
Agent, Bank
of Montreal,
as Canadian
Administrative
Agent, and
The Chase
Manhattan
Bank, as
Global
Administrative
Agent
(incorporated
by reference
to Exhibit
10.2 to
Registrant's
Current
Report on
Form 8-K,
dated June
13, 1997,
filed June
25, 1997, SEC
File No. 1-
4300). 10.5 -
- Form of
Credit
Agreement,
dated as of
June 3, 2002,
among Apache
Canada Ltd, a
wholly-owned
subsidiary of
Registrant,
the Lenders
named
therein,
JPMorgan
Chase Bank,
as Global
Administrative
Agent, Bank
of America,
N.A., as
Global
Syndication
Agent,
Citibank,
N.A., as
Global
Documentation
Agent, Royal
Bank of
Canada, as
Canadian
Administrative
Agent, The
Bank of Nova
Scotia and
The Toronto-
Dominion
Bank, as
Canadian Co-
Syndication
Agents, and
BNP Paribas
(Canada) and
Bayerische
Landesbank

Girozentrale,
as Canadian
Co-
Documentation
Agents
(excluding
exhibits and
schedules)
(incorporated
by reference
to Exhibit
10.4 to
Registrant's
Quarterly
Report on
Form 10-Q for
the quarter
ended June
30, 2002, SEC
File No. 1-
4300). 10.6 -
- Credit
Agreement,
dated June
12, 1997,
among Apache
Energy
Limited and
Apache Oil
Australia Pty
Limited,
wholly-owned
subsidiaries
of the
Registrant,
the Lenders
named
therein,
Morgan
Guaranty
Trust
Company, as
Global
Documentation
Agent, Bank
of America
National
Trust and
Savings
Association,
Sydney
Branch, as
Australian
Documentation
Agent, The
Chase
Manhattan
Bank, as
Australian
Syndication
Agent,
Citisecurities
Limited, as
Australian
Administrative
Agent, and
The Chase
Manhattan
Bank, as
Global
Administrative
Agent
(incorporated
by reference
to Exhibit
10.3 to
Registrant's
Current
Report on
Form 8-K,
dated June
13, 1997,

filed June
25, 1997, SEC
File No. 1-
4300). 10.7 -
- Form of
Credit
Agreement,
dated as of
June 3, 2002,
among Apache
Energy
Limited, a
wholly-owned
subsidiary of
Registrant,
the Lenders
named
therein,
JPMorgan
Chase Bank,
as Global
Administrative
Agent, Bank
of America,
N.A., as
Global
Syndication
Agent,
Citibank,
N.A., as
Global
Documentation
Agent,
Citisecurities
Limited, as
Australian
Administrative
Agent, Bank
of America,
N.A., Sydney
Branch, and
Deutsche Bank
AG, Sydney
Branch, as
Australian
Co-
Syndication
Agents, and
Royal Bank of
Canada and
Bank One, NA,
Australia
Branch, as
Australian
Co-
Documentation
Agents
(excluding
exhibits and
schedules)
(incorporated
by reference
to Exhibit
10.5 to
Registrant's
Quarterly
Report on
Form 10-Q for
the quarter
ended June
30, 2002, SEC
File No. 1-
4300). 10.8 -
- Concession
Agreement for
Petroleum
Exploration
and
Exploitation
in the Khalda
Area in
Western

Desert of
Egypt by and
among Arab
Republic of
Egypt, the
Egyptian
General
Petroleum
Corporation
and Phoenix
Resources
Company of
Egypt, dated
April 6, 1981
(incorporated
by reference
to Exhibit
19(g) to
Phoenix's
Annual Report
on Form 10-K
for year
ended
December 31,
1984, SEC
File No. 1-
547). 10.9 --
Amendment,
dated July
10, 1989, to
Concession
Agreement for
Petroleum
Exploration
and
Exploitation
in the Khalda
Area in
Western
Desert of
Egypt by and
among Arab
Republic of
Egypt, the
Egyptian
General
Petroleum
Corporation
and Phoenix
Resources
Company of
Egypt
incorporated
by reference
to Exhibit
10(d)(4) to
Phoenix's
Quarterly
Report on
Form 10-Q for
quarter ended
June 30,
1989, SEC
File No. 1-
547).

EXHIBIT NO.
DESCRIPTION - ---

10.10 -- Farmout Agreement, dated September 13, 1985 and relating to the Khalda Area Concession, by and between Phoenix Resources Company of Egypt and Conoco Khalda Inc.

(incorporated by reference to Exhibit 10.1 to Phoenix's Registration Statement on Form S-1, Registration No. 33-1069, filed October 23, 1985).

10.11 -- Amendment, dated March 30, 1989, to Farmout Agreement relating to the Khalda Area Concession, by and between Phoenix Resources Company of Egypt and Conoco Khalda Inc.

(incorporated by reference to Exhibit 10(d)(5) to Phoenix's Quarterly Report on Form 10-Q for quarter ended June 30, 1989, SEC File No. 1-547).

10.12 -- Amendment, dated May 21, 1995, to Concession Agreement for Petroleum Exploration and Exploitation in the Khalda Area in Western Desert of Egypt between Arab Republic of Egypt, the Egyptian General Petroleum Corporation, Repsol

Exploracion Egipto S.A., Phoenix Resources Company of Egypt and Samsung Corporation (incorporated by reference to exhibit 10.12 to Registrant's Annual Report on Form 10-K for year ended December 31, 1997, SEC File No. 1-4300).

10.13 -- Concession

Agreement for
Petroleum
Exploration and
Exploitation in
the Qarun Area in
Western Desert of
Egypt, between
Arab Republic of
Egypt, the
Egyptian General
Petroleum
Corporation,
Phoenix Resources
Company of Qarun
and Apache Oil
Egypt, Inc.,
dated May 17,
1993

(incorporated by
reference to
Exhibit 10(b) to
Phoenix's Annual
Report on Form
10-K for year
ended December
31, 1993, SEC
File No. 1-547).

10.14 --

Agreement for
Amending the Gas
Pricing
Provisions under
the Concession
Agreement for
Petroleum
Exploration and
Exploitation in
the Qarun Area,
effective June
16, 1994

(incorporated by
reference to
Exhibit 10.18 to
Registrant's
Annual Report on
Form 10-K for
year ended
December 31,
1996, SEC File
No. 1-4300).

+10.15 -- Apache
Corporation
Corporate
Incentive
Compensation Plan
A (Senior
Officers' Plan),
dated July 16,
1998

(incorporated by
reference to
Exhibit 10.13 to
Registrant's
Annual Report on
Form 10-K for
year ended
December 31,
1998, SEC File
No. 1-4300).

+10.16 -- Apache
Corporation
Corporate
Incentive
Compensation Plan
B (Strategic
Objectives
Format), dated
July 16, 1998

(incorporated by
reference to
Exhibit 10.14 to
Registrant's

Annual Report on
Form 10-K for
year ended
December 31,
1998, SEC File
No. 1-4300).

+10.17 -- Apache
Corporation
401(k) Savings
Plan, dated
August 1, 2002
(incorporated by
reference to
Exhibit 10.1 to
Registrant's
Quarterly Report
on Form 10-Q for
the quarter ended
September 30,
2002, SEC File
No. 1-4300).

+10.18 --
Amendment to
Apache
Corporation
401(k) Savings
Plan, dated
January 27, 2003,
effective January
1, 2003

(incorporated by
reference to
Exhibit 10.18 to
Registrant's
Annual Report on
Form 10-K, as
amended by Form
10-K/A, for year
ended December
31, 2002, SEC
File No. 1-4300).

+10.19 -- Apache
Corporation Money
Purchase
Retirement Plan,
dated August 1,
2002

(incorporated by
reference to
Exhibit 10.2 to
Registrant's
Quarterly Report
on Form 10-Q for
the quarter ended
September 30,
2002, SEC File
No. 1-4300).

+10.20 --
Amendment to
Apache
Corporation Money
Purchase

Retirement Plan,
dated January 27,
2003, effective
January 1, 2003
(incorporated by
reference to

Exhibit 10.20 to
Registrant's
Annual Report on
Form 10-K for
year ended
December 31,
2002, SEC File
No. 1-4300).

+10.21 -- Non-
Qualified
Retirement/Savings
Plan of Apache
Corporation,
restated January

1, 1997, and
amendments
effective January
1, 1997, January
1, 1998 and
January 1, 1999
(incorporated by
reference to
Exhibit 10.17 to
Registrant's
Annual Report on
Form 10-K for
year ended
December 31,
1998, SEC File
No. 1-4300).

EXHIBIT NO.

DESCRIPTION - ---

+10.22 --

Amendment to Non-
Qualified
Retirement/Savings
Plan of Apache
Corporation,
dated February
22, 2000,
effective January
1, 1999

(incorporated by
reference to
Exhibit 4.7 to
Registrant's
Registration
Statement on Form
S-8, Registration
No. 333-31092,
filed February
25, 2000); and
Amendment dated
July 27, 2000
(incorporated by
reference to
Exhibit 4.8 to
Amendment No. 1
to Registrant's
Registration
Statement on Form
S-8, Registration
No. 333-31092,
filed August 18,
2000).

+10.23 --
Amendment to Non-
Qualified
Retirement/Savings
Plan of Apache
Corporation,
dated August 3,
2001, effective
September 1, 2000
and July 1, 2001

(incorporated by
reference to
Exhibit 10.13 to
Registrant's
Quarterly Report
on Form 10-Q, as
amended by Form
10-Q/A, for the
quarter ended
June 30, 2001,
SEC File No. 1-
4300).

+*10.24 --
Amendment to Non-
Qualified
Retirement/Savings
Plan of Apache
Corporation,
dated December
18, 2003,
effective January
1, 2004.

+10.25 -
- Apache
Corporation 1990
Stock Incentive
Plan, as amended
and restated
September 13,
2001

(incorporated by
reference to
Exhibit 10.01 to
Registrant's
Quarterly Report
on Form 10-Q, as
amended by Form

10-Q/A, for the quarter ended September 30, 2001, SEC File No. 1-4300).

+10.26 -- Apache Corporation 1995 Stock Option Plan, as amended and restated September 13, 2001

(incorporated by reference to Exhibit 10.02 to Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2001, as amended by Form 10-Q/A, SEC File No. 1-4300). +*10.27 --

Apache Corporation 2000 Share Appreciation Plan, as amended and restated

February 5, 2004. +10.28 -- Apache Corporation 1996 Performance Stock Option Plan, as amended and restated September 13, 2001

(incorporated by reference to Exhibit 10.03 to Registrant's Quarterly Report on Form 10-Q, as amended by Form 10-Q/A, for the quarter ended September 30, 2001, SEC File No. 1-4300).

+10.29 -- Apache Corporation 1998 Stock Option Plan, as amended and restated September 13, 2001

(incorporated by reference to Exhibit 10.04 to Registrant's Quarterly Report on Form 10-Q, as amended by Form 10-Q/A, for the quarter ended September 30, 2001, SEC File No. 1-4300).

+10.30 -- Apache Corporation 2000 Stock Option Plan, as amended and restated March 5, 2003

(incorporated by reference to Exhibit 4.5 to Registrant's Registration Statement on Form

S-8, Registration
No. 333-103758,
filed March 12,
2003). +*10.31 --
Apache
Corporation 2003
Stock
Appreciation
Rights Plan,
dated and
effective May 1,
2003. +10.32 --
1990 Employee
Stock Option Plan
of The Phoenix
Resource
Companies, Inc.,
as amended
through September
29, 1995,
effective April
9, 1990
(incorporated by
reference to
Exhibit 10.33 to
Registrant's
Annual Report on
Form 10-K for
year ended
December 31,
1996, SEC File
No. 1-4300).
+10.33 -- Apache
Corporation
Income
Continuance Plan,
as amended and
restated May 3,
2001
(incorporated by
reference to
Exhibit 10.30 to
Registrant's
Annual Report on
Form 10-K for the
year ended
December 31,
2001, SEC File
No. 1-4300).
+10.34 -- Apache
Corporation
Deferred Delivery
Plan, as amended
and restated
December 18,
2002, effective
May 2, 2002
(incorporated by
reference to
Exhibit 4.5 to
Post-Effective
Amendment No. 2
to Registrant's
Registration
Statement on Form
S-8, Registration
No. 333-31092,
filed March 11,
2003). +10.35 --
Apache
Corporation
Executive
Restricted Stock
Plan, as amended
and restated
December 18,
2002, effective
May 2, 2002
(incorporated by
reference to
Exhibit 4.5 to
Post Effective

Amendment No. 1
to Registrant's
Registration
Statement on Form
S-8, Registration
No. 333-97403,
filed December
30, 2002). +10.36
-- Apache
Corporation Non-
Employee
Directors'
Compensation
Plan, as amended
and restated May
1, 2003,
effective July 1,
2003
(incorporated by
reference to
Exhibit 10.1 to
Registrant's
Quarterly Report
on Form 10-Q, as
amended by Form
10-Q/A, for the
quarter ended
June 30, 2003,
SEC File No. 1-
4300).

EXHIBIT NO.
DESCRIPTION

+10.37 --
Apache
Corporation
Outside
Directors'
Retirement
Plan, as
amended and
restated May
3, 2001
(incorporated
by reference
to Exhibit
10.08 to
Registrant's
Quarterly
Report on
Form 10-Q,
as amended
by Form 10-
Q/A, for the
quarter
ended June
30, 2001,
SEC File No.
1-4300).
**+10.38 --
1.1 Apache
Corporation
Equity
Compensation
Plan for
Non-Employee
Directors,
as amended
and restated
February 5,
2004. +10.39
-- Amended
and Restated
Employment
Agreement,
dated
December 5,
1990,
between
Registrant
and Raymond
Plank
(incorporated
by reference
to Exhibit
10.39 to
Registrant's
Annual
Report on
Form 10-K
for year
ended
December 31,
1996, SEC
File No. 1-
4300).
+10.40 --
First
Amendment,
dated April
4, 1996, to
Restated
Employment
Agreement
between
Registrant
and Raymond
Plank

(incorporated
by reference
to Exhibit
10.40 to
Registrant's
Annual
Report on
Form 10-K
for year
ended

December 31,
1996, SEC
File No. 1-
4300).

+10.41 --
Amended and
Restated
Employment
Agreement,
dated

December 20,
1990,
between

Registrant
and John A.
Kocur

(incorporated
by reference
to Exhibit
10.10 to
Registrant's
Annual
Report on
Form 10-K
for year
ended

December 31,
1990, SEC
File No. 1-
4300).

+10.42 --
Employment
Agreement,
dated June
6, 1988,
between

Registrant
and G.
Steven
Farris

(incorporated
by reference
to Exhibit
10.6 to
Registrant's
Annual
Report on
Form 10-K
for year
ended

December 31,
1989, SEC
File No. 1-
4300).

+10.43 --
Amended and
Restated
Conditional
Stock Grant
Agreement,
dated June

6, 2001,
between

Registrant
and G.
Steven
Farris

(incorporated
by reference
to Exhibit
10.10 to
Registrant's

Quarterly
Report on
Form 10-Q,
as amended
by Form 10-
Q/A, for the
quarter
ended June
30, 2001,
SEC File No.
1-4300).

10.44 --
Amended and
Restated Gas
Purchase
Agreement,
effective
July 1,
1998, by and
among
Registrant
and MW
Petroleum
Corporation,
as seller,
and
Producers
Energy
Marketing,
LLC, as
buyer

(incorporated
by reference
to Exhibit
10.1 to
Registrant's
Current
Report on
Form 8-K,
dated June
18, 1998,
filed June
23, 1998,
SEC File No.
1-4300).

10.45 --
Deed of
Guaranty and
Indemnity,
dated
January 11,
2003, made
by
Registrant
in favor of
BP
Exploration
Operating
Company
Limited

(incorporated
by reference
to
Registrant's
Current
Report on
Form 8-K,
dated and
filed
January 13,
2003, SEC
File No. 1-
4300).

**12.1 --
Statement of
Computation
of Ratios of
Earnings to
Fixed
Charges and
Combined
Fixed

Charges and Preferred Stock Dividends
**14.1 -- Code of Business Conduct
**21.1 -- Subsidiaries of Registrant
**23.1 -- Consent of Ernst & Young LLP
**23.2 -- Consent of Ryder Scott Company L.P., Petroleum Consultants
**24.1 -- Power of Attorney (included as a part of the signature pages to this report)
**31.1 -- Certification of Chief Executive Officer
**31.2 -- Certification of Chief Financial Officer
**32.1 -- Certification of Chief Executive Officer and Chief Financial Officer

- - - - -
* Filed herewith.

** Previously filed.

+ Management contracts or compensatory plans or arrangements required to be filed herewith pursuant to Item 15 hereof.

NOTE: Debt instruments of the Registrant defining the rights of long-term debt holders in principal amounts not exceeding 10 percent of the Registrant's consolidated assets have been omitted and will be provided to the Commission upon request.

Amendment
To
Non-Qualified Retirement/Savings Plan of Apache Corporation

Apache Corporation ("Apache") maintains the Non-Qualified Retirement/Savings Plan of Apache Corporation (the "Plan"). Pursuant to section 8.02 of the Plan, Apache has retained the right to amend the Plan. Apache hereby exercises that right, effective for distributions after January 1, 2004, to replace section 5.02(b) of the Plan in its entirety by the following.

- (b) Form of Distribution.
 - (i) Alternatives. The Participant's vested Account shall be distributed in a single payment unless the Participant makes an effective election to receive from two to ten annual installments.
 - (ii) Payout Election.
 - (A) Initial Election. Upon becoming a Participant, an Employee may make a payout election to have his vested Account paid out in from two to ten annual installments. To be effective, the Participant's initial payout election must be made before, or within 30 days after, his participation begins. If the Participant does not make a timely initial payout election, he shall be treated as if he elected a single payment.
 - (B) Making a New Payout Election. A Participant may change his payout election at any time, subject to the procedures that the Committee has implemented at that time. A revised payout election shall not be effective until one of the following events occurs:
 - (1) The Participant completes one full year of employment with the Company and Affiliated Entities immediately after the Plan receives the new payout election. An FMLA leave and a USERRA leave shall be treated as continuous employment, but only if the Participant returns to active employment for at least one month after the leave expires.
 - (2) The Participant incurs a Disability while an Employee.
- (iii) Rules for Installment Payments. The minimum annual installment payment shall be \$50,000, or, if less, the Participant's remaining Account balance; this rule may result in the Participant receiving fewer installment payments than he elects. Each installment will be equal to the greater of (A) the minimum annual installment, or (B) the vested Account balance at the beginning of the Plan Year divided by the number of remaining annual installments, except for the final

installment, which will be equal to the remaining Account balance. Installments will be paid as soon as administratively convenient during the Plan Year.

For example, if the Participant had chosen 5 annual installments, and terminates employment in February of 1999,

- the unvested Account balance shall be forfeited immediately;
- his 1999 installment will be one-fifth of his January 1, 1999 vested Account balance;
- his 2000 installment will be one-fourth of his January 1, 2000 Account balance;
- his 2001 installment will be one-third of his January 1, 2001 Account balance;
- his 2002 installment will be one-half of his January 1, 2002 Account balance; and
- his final installment in 2003 will be the remainder of his Account balance.

IN WITNESS WHEREOF, this Amendment has been executed the date set forth below.

APACHE CORPORATION

By: /s/ Jeffrey M. Bender

Date: December 18, 2003

Title: Vice President, Human Resources

APACHE CORPORATION

2000 SHARE APPRECIATION PLAN
"120 BY '04"

(AS AMENDED AND RESTATED FEBRUARY 5, 2004)

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APACHE CORPORATION
2000 SHARE APPRECIATION PLAN
(AS AMENDED AND RESTATED FEBRUARY 5, 2004)

SECTION 1

INTRODUCTION

1.1 Establishment. Apache Corporation, a Delaware corporation (hereinafter referred to, together with its Affiliated Corporations (as defined below) as the "Company" except where the context otherwise requires), hereby established the Apache Corporation 2000 Share Appreciation Plan (the "Plan"), effective as of October 12, 2000.

1.2 Purposes. The primary purpose of this Plan is to focus the energies of the Company's employees on significantly increasing shareholder wealth through stock price appreciation to share prices of \$100, \$120 and \$180 (adjusted to \$43.29, \$51.95 and \$77.92, respectively, for (i) the Company's ten-percent stock dividend, record date December 31, 2001, paid January 21, 2002, (ii) the Company's five-percent stock dividend, record date March 12, 2003, paid April 2, 2003, and (iii) the Company's two-for-one stock split, record date December 31, 2003, distributed January 14, 2004) and a doubling of the Company's oil and gas production per share for calendar year 2000 (also adjusted for the stock dividends and stock split). The share price goals of this Plan seek to increase shareholder wealth by approximately \$5.2 to \$7.8 billion dollars with the Company's employees sharing in approximately three percent of the additional shareholder value created. The production goal is designed to inspire the Company's employees to significantly improve the one factor that is most within the control of the Company, production, and that is involved in determining the Company's earnings per share and cash flow per share. Additional purposes of this Plan include the retention of existing key employees and as an additional inducement in the recruitment of talented personnel in a competitive environment.

SECTION 2

DEFINITIONS

2.1 Definitions. The following terms shall have the meanings set forth below:

"Affiliated Corporation" means any corporation or other entity (including but not limited to a partnership) which is affiliated with Apache Corporation through stock ownership or otherwise and is treated as a common employer under the provisions of Sections 414(b) and (c) or any successor section(s) of the Internal Revenue Code.

"Base Salary" means, with regard to any Participant, such Participant's base compensation as an employee of the Company at the date of award of a Plan Unit (except for the calculation of the Independent Production Goal Amount, in which case the date shall be the Independent Production Goal Date), without regard to any bonus, pension, profit sharing, stock option, life insurance or salary continuation plan which the Participant either receives or is otherwise entitled to have paid on his behalf.

"Board" means the Board of Directors of the Company.

"Category" means one of the three groupings of Participants in the Plan whose Plan Units represent the right to receive the same multiple of their base salary for each Payout Amount.

"Committee" means the Stock Option Plan Committee of the Board or such other Committee of the Board that is empowered hereunder to administer the Plan. The Committee shall be constituted at all times so as to permit the Plan to be administered by "non-employee directors" (as defined in Rule 16b-3 of the Securities Exchange Act of 1934, as amended).

"Deferred Delivery Plan" means the Company's Deferred Delivery Plan, effective as of February 10, 2000, as it may be amended from time to time, or any successor plan.

"Eligible Employees" means those full-time employees (including, without limitation, the Company's executive officers), and certain part-time employees, of the Company.

"Fair Market Value" means the closing price of the Stock as reported on The New York Stock Exchange, Inc. Composite Transactions Reporting System ("Composite Tape") for a particular date. If there are no Stock transactions on such date, the Fair Market Value shall be determined as of the immediately preceding date on which there were Stock transactions.

"Final Amount" means with regard to any:

(a) Category I Participant, such number of shares of Stock (rounded down to the nearest full share) which equals two (2) times such Participant's Base Salary divided by \$180 (adjusted to \$77.92 for the stock dividends and stock split);

(b) Category II Participant, such number of shares of Stock (rounded down to the nearest full share) which equals one (1) times such Participant's Base Salary divided by \$180 (adjusted to \$77.92 for the stock dividends and stock split); and

(c) Category III Participant, such number of shares of Stock (rounded down to the nearest full share) which equals 50 percent (.50) times such Participant's Base Salary divided by \$180 (adjusted to \$77.92 for the stock dividends and stock split);

which amount, in each case, shall be fixed and not subject to adjustment due to market fluctuation.

"Final Price Threshold Date" means the last of any 10 trading days (which need not be consecutive) during any period of 30 consecutive trading days occurring prior to January 1, 2005, but not thereafter, on each of which 10 days the closing price of the Stock as reported on the Composite Tape equaled or exceeded \$180 per share (adjusted to \$77.92 per share for the stock dividends and stock split). If the above trading criteria are met more than once, the first occurrence shall be deemed to be the Final Price Threshold Date.

"Final Plan Unit" means an investment unit convertible into the applicable Final Amount for a Participant upon occurrence of the Final Price Threshold Date.

"Grant" has the meaning set forth in Section 6 hereof.

"Grant Agreement" has the meaning set forth in Section 6 hereof.

"Independent Production Goal Amount" means with regard to any:

(a) Category I Participant, such number of shares of Stock (rounded down to the nearest full share) which equals one and one half (1.5) times such Participant's Base Salary divided by the Independent Production Goal Price;

(b) Category II Participant, such number of shares of Stock (rounded down to the nearest full share) which equals 75 percent (.75) times such Participant's Base Salary divided by the Independent Production Goal Price; and

(c) Category III Participant, such number of shares of Stock (rounded down to the nearest full share) which equals 37.5 percent (.375) times such Participant's Base Salary divided by the Independent Production Goal Price;

which amount, in each case, shall be fixed and not subject to adjustment due to market fluctuation.

"Independent Production Goal Date" means the last day of any fiscal quarter ending on or before December 31, 2004 during which fiscal quarter the Company's average daily production (calculated on an annualized basis) equals or exceeds 1.54 barrels of oil equivalent per outstanding share of Stock (calculated on a fully diluted basis and adjusted to 0.67 barrels per share for the stock dividends and stock split), as confirmed by the Company's independent auditors. If the above production criterion is met more than once, the first occurrence shall be deemed to be the Independent Production Goal Date.

"Independent Production Goal Price" means the average daily closing price of the Stock as reported on the Composite Tape for the quarter ending on the Independent Production Goal Date.

"Independent Production Goal Plan Unit" means an investment unit convertible into the applicable Independent Production Goal Amount for a Participant upon occurrence of the Independent Production Goal Date.

"Initial Amount" means with regard to any:

(a) Category I Participant, such number of shares of Stock (rounded down to the nearest full share) which equals one (1) times such Participant's Base Salary divided by \$100 (adjusted to \$43.29 for the stock dividends and stock split);

(b) Category II Participant, such number of shares of Stock (rounded down to the nearest full share) which equals 50 percent (.50) times such Participant's Base Salary divided by \$100 (adjusted to \$43.29 for the stock dividends and stock split); and

(c) Category III Participant, such number of shares of Stock (rounded down to the nearest full share) which equals 25 percent (.25) times such Participant's Base Salary divided by \$100 (adjusted to \$43.29 for the stock dividends and stock split);

which amount, in each case, shall be fixed and not subject to adjustment due to market fluctuation.

"Initial Price Threshold Date" means the last of any 10 trading days (which need not be consecutive) during any period of 30 consecutive trading days occurring prior to January 1, 2005, but not thereafter, on each of which 10 days the closing price of the Stock as reported on the Composite Tape equaled or exceeded \$100 per share (adjusted to \$43.29 per share for the stock dividends and stock split). If the above trading criteria are met more than once, the first occurrence shall be deemed to be the Initial Price Threshold Date.

"Initial Plan Unit" means an investment unit convertible into the applicable Initial Amount for a Participant upon occurrence of the Initial Price Threshold Date.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as it may be amended from time to time.

"Participant" means an Eligible Employee designated by the Committee from time to time during the term of the Plan to receive one or more grants of Plan Units under the Plan.

"Payout Amounts" means the Initial Amount, the Secondary Amount, the Final Amount and/or the Independent Production Goal Amount.

"Plan Units" means each of the Initial Plan Units, Secondary Plan Units, Final Plan Units and/or Independent Production Goal Plan Units.

"Price Threshold Date" means the Initial Price Threshold Date, the Secondary Price Threshold Date, the Final Price Threshold Date and/or the Independent Production Goal Date, as the context may require.

"Secondary Amount" means with regard to any:

(a) Category I Participant, such number of shares of Stock (rounded down to the nearest full share) which equals three (3) times such Participant's Base Salary divided by \$120 (adjusted to \$51.95 for the stock dividends and stock split);

(b) Category II Participant, such number of shares of Stock (rounded down to the nearest full share) which equals one and one half (1.5) times such Participant's Base Salary divided by \$120 (adjusted to \$51.95 for the stock dividends and stock split); and

(c) Category III Participant, such number of shares of Stock (rounded down to the nearest full share) which equals 75 percent (.75) times such Participant's Base Salary divided by \$120 (adjusted to \$51.95 for the stock dividends and stock split);

which amount, in each case, shall be fixed and not subject to adjustment due to market fluctuation.

"Secondary Price Threshold Date" means the last of any 10 trading days (which need not be consecutive) during any period of 30 consecutive trading days occurring prior to January 1, 2005, but not thereafter, on each of which 10 days the closing price of the Stock as reported on the Composite Tape equaled or exceeded \$120 per share (adjusted to \$51.95 per share for the stock dividends and stock split). If the above trading criteria are met more than once, the first occurrence shall be deemed to be the Secondary Price Threshold Date.

"Secondary Plan Unit" means an investment unit convertible into the applicable Secondary Amount for a Participant upon occurrence of the Secondary Price Threshold Date.

"Stock" means the \$0.625 par value Common Stock of the Company.

"Stock Units" means investment units under the Deferred Delivery Plan, each of which is deemed to be equivalent to one share of Stock.

2.2 Headings; Gender and Number. The headings contained in the Plan are for reference purposes only and shall not affect in any way the meaning or interpretation of the Plan. Except when otherwise indicated by the context, the masculine gender shall also include the feminine gender, and the definition of any term herein in the singular shall also include the plural.

SECTION 3

PLAN ADMINISTRATION

The Plan shall be administered by the Committee. In accordance with the provisions of the Plan, the Committee shall, in its sole discretion, adopt rules and regulations for carrying out the purposes of the Plan, including, without limitation, selecting the Participants from among the Eligible Employees and the Category of participation for each Participant, appointing designees or agents (who need not be members of the Committee or employees of the Company) to assist the Committee with the administration of the Plan, and establish such other terms and requirements as the Committee may deem necessary or desirable and consistent with the terms of the Plan. No member of the Committee shall be liable for any action or determination made in good faith. The determinations, interpretations and other actions of the Committee pursuant to the provisions of the Plan shall be binding and conclusive for all purposes and on all persons.

SECTION 4

STOCK SUBJECT TO THE PLAN

4.1 Number of Shares. Subject to Sections 4.3 and Section 6.1 hereof, up to 3,500,000 shares of Stock (adjusted to 8,085,000 shares for the stock dividends and stock split) are authorized for issuance under the Plan upon conversion of any Plan Units in accordance with the Plan's terms and subject to such restrictions or other provisions as the Committee may from time to time deem necessary. Shares of Stock which may be issued pursuant to the conversion of any Plan Units awarded hereunder shall be applied to reduce the maximum number of shares of Stock remaining available for use under the Plan. The Company shall at all times during the term of the Plan and while any Plan Units are outstanding retain as authorized and unissued Stock and/or Stock in the Company's treasury, at least the number of shares from time to time required under the provisions of the Plan, or otherwise assure itself of its ability to perform its obligations hereunder.

4.2 Other Shares of Stock. Any shares of Stock that are subject to issuance upon conversion of a Plan Unit which expires, is forfeited, is cancelled, or for any reason is terminated, and any shares of Stock that for any other reason are not issued to a Participant or are forfeited shall automatically become available for use under the Plan.

4.3 Certain Adjustments. If the Company shall at any time increase or decrease the number of its outstanding shares of Stock (other than by way of issuing Stock in a public or private offering for cash or property) or change in any way the rights and privileges of such shares by means of a Stock dividend or any other distribution upon such shares payable in Stock, or through a Stock split, subdivision, consolidation, combination, reclassification or recapitalization involving the Stock or a subscription for shares of Stock that has the effect of diluting the Company's capital (hereinafter a "capital restructuring"), then for purposes of determining the entitlement to payments under Section 6, (i) the number of shares authorized for issuance under this Section 4, and (ii) the per share amounts referenced in Section 1 and contained in the definitions set forth in Section 2 hereof and the amount of production required to attain the Independent Production Goal shall be, in each case, equitably and proportionally adjusted to take into account any capital restructuring. Any adjustment under this Section shall be made by the Committee, whose determination with regard thereto, including whether any adjustment is needed, shall be final and binding upon all parties.

SECTION 5

REORGANIZATION OR LIQUIDATION

In the event that the Company is merged or consolidated with another corporation and the Company is not the surviving corporation, or if all or substantially all of the assets or more than 20 percent of the outstanding voting stock of the Company is acquired by any other corporation, business entity or person, or in case of a reorganization (other than a reorganization under the United States Bankruptcy Code) or liquidation of the Company, and if the provisions of Section 7 hereof do not apply, the Committee, or the board of directors of any corporation assuming the obligations of the Company, shall, as to the Plan and outstanding Plan Units either (i) make appropriate provision for the adoption and continuation of the Plan by the acquiring or successor corporation and for the protection of any holders of such outstanding Plan Units by the substitution on an equitable basis of appropriate stock of the Company or of the merged, consolidated or otherwise reorganized corporation which will be issuable with respect to the Stock, provided that no additional benefits shall be conferred upon the Participants holding such Plan Units as a result of such substitution, or (ii) provided that a Price Threshold Date has occurred, upon written notice to the Participants, the Committee may accelerate the vesting and payment dates of the entitlement to receive cash and Stock under outstanding Plan Units so that all such existing entitlements are paid prior to any such event. In the latter event, such acceleration shall only apply to entitlements to cash and Stock payable as the result of the occurrence of the most recent Price Threshold Date and shall not by such acceleration, deem the occurrence of a Price Threshold Date that has not occurred by the date of the notice.

SECTION 6

GRANT OF PLAN UNITS

6.1 Grants. Each Participant may be awarded an initial grant (a "Grant") of Plan Units under this Plan by the Committee, which Grant shall be composed of one Initial Plan Unit, Secondary Plan Unit, Final Plan Unit and Independent Production Goal Unit. The Committee, in its sole discretion, may award additional Grants to any Participant in connection with such Participant's receiving a significant increase in salary and/or a promotion within the Company. Each Grant awarded by the Committee shall be evidenced by a written agreement entered into by the Company and the Participant to whom the Grant is awarded (the "Grant Agreement"), which shall contain the terms and conditions set out in this Section 6, as well as such other terms and conditions as the Committee may consider appropriate.

6.2 Grant Agreements. Each Grant Agreement entered into by the Company and each Participant shall specify which Category applies for such Participant and contain at least the following terms and conditions. In the event of any inconsistency between the provisions of the Plan and any Grant Agreement, the provisions of the Plan shall govern.

6.2.1 Grant Terms. Each Grant Agreement shall evidence the Grant of Plan Units and entitle the Participant to receive the indicated Plan Units which shall convert into the right to receive a conditional payment of cash and issuance of Stock upon the occurrence of one or more of the Price Threshold Dates, all as set forth below.

(a) If at any time prior to January 1, 2005, the Initial Price Threshold Date occurs, the Participant may become entitled to receive a portion or all of the Initial Amount payable to Participants in such Category, as specified in the applicable Grant Agreement, in accordance with the payment schedule and as otherwise set out in Section 6.2.2.

(b) If at any time prior to January 1, 2005, the Secondary Price Threshold Date occurs, the Participant may become entitled to receive a portion or all of the Secondary Amount payable to Participants in such Category, as specified in the applicable Grant Agreement, in accordance with the payment schedule and as otherwise set out in Section 6.2.2.

(c) If at any time prior to January 1, 2005, the Final Price Threshold Date occurs, the Participant may become entitled to receive a portion or all of the Final Amount payable to Participants in such Category, as specified in the applicable Grant Agreement, in accordance with the payment schedule and as otherwise set out in Section 6.2.2.

(d) If at any time prior to January 1, 2005, the Independent Production Goal Date occurs, the Participant may become entitled to receive a portion or all of the Independent Production Goal Amount payable to Participants in the same Category, as specified in the applicable Grant Agreement, in accordance with the payment schedule and as otherwise set out in Section 6.2.2.

6.2.2 Payment of Payout Amounts. Subject to the provisions of Section 6.3, the Payout Amounts shall be payable in increments strictly in accordance with the following schedule:

(a) The entitlement to receive the first one-third (1/3) of any Payout Amount shall vest on the applicable Price Threshold Date and shall be paid by the Company to the Participant within thirty (30) days of the applicable Price Threshold Date in the manner set out in Section 6.4 below.

(b) The entitlement to receive the remainder of any Payout Amount shall vest and become payable in equal parts on the dates occurring, respectively, 12 months and 24 months after the applicable Price Threshold Date, in the same proportions and amounts as set forth in Section 6.4 below, and shall be paid by the Company to the Participant within thirty (30) days of such date. If any of the above dates is not a business day during which the Company is open for business, such date of vesting or payment shall be the first business date occurring immediately thereafter.

(c) No Payout Amount or portion thereof shall be payable under this Section 6.2.2 if the applicable Price Threshold Date has not occurred prior to January 1, 2005.

6.3 Termination of Employment, Death, Disability, etc. Except as set forth below, each Grant Agreement shall state that each Grant, the Plan Units received thereunder and the right to receive any payment thereunder upon conversion of the Plan Units shall be subject to the condition that the Participant has remained an Eligible Employee from the initial award of a Grant until the applicable vesting date as follows:

(a) If the Participant voluntarily leaves the employment of the Company, or if the employment of the Participant is terminated by the Company for cause or otherwise, any Plan Units not previously converted and the right to receive any Payout Amounts not yet paid in accordance with Section 6.2.2 shall thereafter be void and forfeited for all purposes.

(b) If the Participant retires from employment with the Company on or after attaining age 60, the retired Participant shall be entitled to receive the payments in Stock and cash in accordance with Section 6.2.2, provided that (i) such Participant has certified in writing to the Committee his commitment not to enter into full-time employment or a consulting arrangement with a competitor of the Company, and (ii) the applicable Price Threshold Date has occurred prior to the Participant's last day of employment with the Company. Such retired Participant shall not be entitled to any payment which may arise due to the occurrence of a Price Threshold Date after the effective date of such Participant's retirement. If the retired Participant dies before receiving all of the payments to which he or she is entitled under this Section 6.3(b), such payments shall be made to those entitled under the retired Participant's will or by the laws of descent and distribution. A failure of the Participant to comply with the undertaking of clause (i) above shall void such Participant's right to payments hereunder.

(c) If the Participant dies, or if the Participant becomes disabled (as determined pursuant to the Company's Long-Term Disability Plan or any successor plan), while still employed, payment in Stock and cash in accordance with Section 6.2.2 shall be made to the disabled Participant or to those entitled under the Participant's will or by the laws of descent and distribution, provided that the applicable Price Threshold Date has occurred prior to the earlier of such Participant's disability or death. There shall be no entitlement to any payment, which may arise due to the occurrence of a Price Threshold Date after the earlier of such Participant's disability or death.

6.4 Payment and Tax Withholding. Each Grant Agreement shall provide that, upon payment of any entitlement upon conversion of any Plan Units, the Participant shall make appropriate arrangements with the Company to provide for the amount of minimum tax withholding required by Sections 3102 and 3402 or any successor section(s) of the Internal Revenue Code and applicable state and local income and other tax laws, as follows:

(a) If upon the achievement of a Threshold Date the credit rating of the Company's long term, unsecured debt is at or above investment grade, then each payment of the related Payout Amount shall be made in a proportion of cash and shares of Stock, determined by the Committee, such that the cash portion shall be sufficient to cover the withholding amount required by this Section. The cash portion of any payment of a Payout Amount shall be based on the Fair Market Value of the shares of Stock on the business day immediately preceding the payment date. Such cash portion shall be withheld by the Company to satisfy applicable tax withholding requirements.

(b) If upon the achievement of a Threshold Date the Company's long term, unsecured debt has a credit rating below investment grade, the Committee, in its sole discretion, may either (i) provide for the payment of the withholding amount required by this Section as set forth in Subsection (a) above or (ii) specify that each payment of the related Payout Amount to a Participant be made only after the Participant has made funds available to the Company sufficient to cover the withholding amount required by this Section. The funds required by this Subsection (b) may be obtained by the Participant by means of a loan from a securities broker or dealer, in which case the Participant may satisfy the requirements hereof by delivering to the Company an irrevocable instruction to such broker or dealer to promptly deliver to the Company, by wire transfer or certified or cashier's check, the funds necessary to meet the Participant's obligations hereunder and such delivery instructions for the shares issuable to the Participant as the broker or dealer may require. The calculation of the funds to be provided by the Participant under this paragraph shall be based on the Fair Market Value of the shares of Stock to be issued to the Participant, on the business day immediately preceding the payment date.

(c) Upon a request made to the Committee by a Participant, the proportion of cash and Stock as set forth in Subsection (a) above may be, but need not be, changed by the Committee, in its sole discretion, to provide for, among other things, special or additional tax burdens on a Participant but, in no event, shall the cash portion of any payment exceed fifty percent (50%).

6.5 Subsequent Grant Agreements. Following the award of Grants in 2000, additional Participants may be designated by the Committee for grants of Plan Units thereafter subject to the same terms and conditions set forth above for initial grants except that the Committee, in its sole discretion, may reduce the value of the Initial Amount, Secondary Amount, Final Amount or Independent Production Goal Amount to which subsequent Participants may become entitled and the applicable Grant Agreement shall be modified to reflect such reduction.

6.6 Stockholder Privileges. No Participant shall have any rights as a stockholder with respect to any shares of Stock into which a Plan Unit is convertible until the Participant becomes the holder of record of such Stock.

6.7 Limitations on Stock Issuable to Officers and Directors. Any provision of the Plan notwithstanding, the total number of shares of Stock issuable to Participants who are directors or officers of the Company (as defined for the purposes of Section 16 of the Securities Exchange Act of 1934, as amended) shall not exceed 49 percent of the total shares issuable under the Plan (the "D&O Limitation"). If the total number of shares of Stock issuable to all of the Company's directors and officers who are Participants in the Plan shall exceed the D&O Limitation, then the total number of shares of Stock issuable to such Participants shall be reduced to a number equal to the D&O Limitation and the number of shares of Stock issuable to each such Participant upon conversion of any Plan Unit shall be reduced pro rata.

6.8 Deferral of Income. For Participants eligible for participation in the Deferred Delivery Plan, all or a portion of the income resulting from the conversion of Plan Units into Payout Amounts is subject to deferral into the Participant's Deferred Delivery Plan account, if the Participant has made an irrevocable election to make such a deferral, as follows: (a) with respect to the first payment to be made upon the occurrence of a Price Threshold Date, no more than 30 days after the Participant executes the applicable Grant Agreement and/or (b) with respect to any other payment to be made after the occurrence of a Price Threshold Date, at least six months prior to the date such payment is to be made by the Company. If the Participant has complied with the above requirements, all or a portion of the income resulting from any payment upon the conversion of Plan Units into Payout Amounts shall be deferred into the Participant's Deferred Delivery Plan account and no additional cash or shares of Stock shall be delivered to the Participant.

SECTION 7

CHANGE OF CONTROL

7.1 In General. In the event of the occurrence of a change of control of the Company as defined in Section 7.3 hereof, and assuming the occurrence of a Price Threshold Date, the entitlement to receive cash and Stock upon conversion of any Plan Units shall vest automatically, without further action by the Committee or the Board, and shall become payable as follows:

(a) If such change of control occurs subsequent to the occurrence of a Price Threshold Date, (i) the first one-third (1/3) of the applicable Payout Amount shall vest and be paid pursuant to Section 6.2.2(a) hereof, and (ii) the remainder of such Payout Amount shall vest as of the date of such change of control and shall be paid by the Company to the Participant within thirty (30) days of the date of such change of control in the manner set out in Section 6.4 hereof.

(b) If the occurrence of a Price Threshold Date occurs subsequent to the date of a change of control, the applicable Payout Amount shall vest in full as of such Price Threshold Date and shall be paid by the Company to the Participant within thirty (30) days of such Price Threshold Date in the manner set out in Section 6.4 hereof.

7.2 Limitation on Payments. If the provisions of this Section 7 would result in the receipt by any Participant of a payment within the meaning of Section 280G or any successor section(s) of the Internal Revenue Code, and the regulations promulgated thereunder, and if the receipt of such payment by any Participant would, in the opinion of independent tax counsel of recognized standing selected by the Company, result in the payment by such Participant of any excise tax provided for in Sections 280G and 4999 or any successor section(s) of the Internal Revenue Code, then the amount of such payment shall be reduced to the extent required, in the opinion of independent tax counsel, to prevent the imposition of such excise tax; provided, however, that the Committee, in its sole discretion, may authorize the payment of all or any portion of the amount of such reduction to the Participant.

7.3 Definition. For purposes of the Plan, a "change of control" shall mean any of the events specified in the Company's Income Continuance Plan or any successor plan which constitute a change of control within the meaning of such plan.

SECTION 8

RIGHTS OF EMPLOYEES, PARTICIPANTS

8.1 Employment. Neither anything contained in the Plan or any Grant Agreement nor the granting of any Plan Units under the Plan shall confer upon any Participant any right with respect to the continuation of his or her employment by the Company or any Affiliated Corporation, or interfere in any way with the right of the Company or any Affiliated Corporation, at any time to terminate such employment or to increase or decrease the level of the Participant's compensation from the level in existence at the time of the award of Plan Units.

8.2 Non-transferability. No right or interest of any Participant in a Plan Unit granted pursuant to the Plan shall be assignable or transferable during the lifetime of the Participant, either voluntarily or involuntarily, or subjected to any lien, directly or indirectly, by operation of law, or otherwise, including execution, levy, garnishment, attachment, pledge or bankruptcy. In the event of a Participant's death, a Participant's rights and interests in any Plan Unit shall, to the extent provided in Section 6.3 hereof, be transferable by testamentary will or the laws of descent and distribution, and payment of any entitlements due under the Plan shall be made to the Participant's legal representatives, heirs or legatees. If in the opinion of the Committee a person entitled to payments or to exercise rights with respect to the Plan is disabled from caring for his or her affairs because of mental condition, physical condition or age, payment due such person may be made to, and such rights shall be exercised by, such person's guardian, conservator or other legal personal representative upon furnishing the Committee with evidence satisfactory to the Committee of such status.

SECTION 9

OTHER EMPLOYEE BENEFITS

The amount of any income deemed to be received by a Participant as a result of the payment upon conversion of a Plan Unit shall not constitute "earnings" or "compensation" with respect to which any other employee benefits of such Participant are determined, including without limitation benefits under any pension, profit sharing, life insurance or salary continuation plan.

SECTION 10

PLAN AMENDMENT, MODIFICATION AND TERMINATION

The Committee or the Board may at any time terminate, and from time to time may amend or modify the Plan. No amendment, modification or termination of the Plan shall in any manner adversely affect any Plan Unit theretofore awarded under the Plan, without the consent of the Participant holding such Plan Unit.

The Committee shall have the authority to adopt such modifications, procedures and subplans as may be necessary or desirable to comply with the provisions of the laws (including, but not limited to, tax laws and regulations) of countries other than the United States in which the Company may operate, so as to assure the viability of the benefits of the Plan to Participants employed in such countries.

SECTION 11

REQUIREMENTS OF LAW

11.1 Requirements of Law. The issuance of Stock and the payment of cash pursuant to the Plan shall be subject to all applicable laws, rules and regulations, including applicable federal and state securities laws. The Company may require a Participant, as a condition of receiving payment upon conversion of a Plan Unit, to give written assurances in substance and form satisfactory to the Company and its counsel to such effect as the Company deems necessary or appropriate in order to comply with federal and applicable state securities laws.

11.2 Section 16 Requirements. If a Participant is an officer or director of the Company within the meaning of Section 16, Grants awarded hereunder shall be subject to all conditions required under Rule 16b-3, or any successor rule(s) promulgated under the Securities Exchange Act of 1934, as amended, to qualify the Plan Units for any exemption from the provisions of Section 16 available under such Rule. Such conditions are hereby incorporated herein by reference and shall be set forth in the agreement with the Participant, which describes the Grant.

11.3 Governing Law. The Plan and all Grant Agreements hereunder shall be construed in accordance with and governed by the laws of the State of Texas.

SECTION 12

DURATION OF THE PLAN

The Plan shall terminate at such time as may be determined by the Committee, and no Plan Units shall be awarded after such termination. If not sooner terminated under the preceding sentence, the Plan shall fully cease and expire at midnight on December 31, 2004. Payout Amounts for which one or more of the Price Threshold Dates has occurred and which remain outstanding at the time of the Plan termination shall continue in accordance with the Grant Agreement pertaining to such Plan Units.

Dated: February 5, 2004

APACHE CORPORATION

ATTEST:

/s/ Cheri L. Peper

Cheri L. Peper
Corporate Secretary

By: /s/ Jeffrey M. Bender

Jeffrey M. Bender
Vice President

APACHE CORPORATION
2003 STOCK APPRECIATION RIGHTS PLAN
EFFECTIVE AS OF MAY 1, 2003

APACHE CORPORATION
2003 STOCK APPRECIATION RIGHTS PLAN

SECTION 1

INTRODUCTION

1.1 Establishment. Apache Corporation, a Delaware corporation (hereinafter referred to, together with its Affiliated Corporations (as defined in Section 2.1 hereof) as the "Company" except where the context otherwise requires), hereby establishes the Apache Corporation 2003 Stock Appreciation Rights Plan (the "Plan") for Eligible Employees (as defined in Section 2.1 hereof). The Plan permits the grant of stock appreciation rights to Eligible Employees selected by the Committee (as defined in Section 2.1 hereof).

1.2 Purposes. The purposes of the Plan are to provide the Eligible Employees designated by the Committee for participation in the Plan with added incentives to continue in the long-term service of the Company and to create in such employees a more direct interest in the future success of the operations of the Company by relating incentive compensation to increases in stockholder value, so that the income of those employees is more closely aligned with the interests of the Company's stockholders. The Plan is also designed to retain and motivate Eligible Employees and attract talented personnel in a competitive environment.

1.3 Effective Date. The effective date of the Plan (the "Effective Date") is May 1, 2003.

SECTION 2

DEFINITIONS

2.1 Definitions. The following terms shall have the meanings set forth below:

(a) "Administrative Agent" means any designee or agent that may be appointed by the Committee pursuant to Section 3.1(b) hereof.

(b) "Affiliated Corporation" means any corporation or other entity (including but not limited to a partnership) which is affiliated with Apache Corporation through stock ownership or otherwise and is treated as a common employer under the provisions of Sections 414(b) and (c) or any successor section(s) of the Internal Revenue Code.

(c) "Board" means the Board of Directors of the Company.

(d) "Committee" means the Stock Option Plan Committee of the Board, which is empowered hereunder to take actions in the administration of the Plan. The Committee shall be constituted at all times as to permit the Plan to comply with Rule 16b-3 or any successor rule(s) promulgated under the Securities Exchange Act of 1934, as amended (the "1934 Act").

(e) "Eligible Employees" means full-time employees (including, without limitation, officers and directors who are also employees), and certain part-time employees, of the Company or any division thereof.

(f) "Exercise Date" means the date of exercise determined in accordance with subsection 7.2(g) hereof.

(g) "Expiration Date" means the date on which the Stock Appreciation Right Period (as defined in subsection 7.2(c) hereof) ends.

(h) "Fair Market Value" means the per share closing price of the Stock as reported on The New York Stock Exchange, Inc. Composite Transactions Reporting System for a particular date. If there are no Stock transactions on such date, the Fair Market Value shall be determined as of the immediately preceding date on which there were Stock transactions.

(i) "Grant Date" means the date of grant determined in accordance with subsection 7.2(h) hereof.

(j) "Internal Revenue Code" means the Internal Revenue Code of 1986, as it may be amended from time to time.

(k) "Participant" means an Eligible Employee designated by the Committee from time to time during the term of the Plan to receive one or more Stock Appreciation Rights under the Plan.

(l) "Stock Appreciation Right" means to receive an amount equal to the excess of the Fair Market Value as of the Exercise Date of one share of Stock over the SAR Price times the number of shares of Stock to which the Stock Appreciation Right relates.

(m) "SAR Price" means the price at which the Stock Appreciation Right was granted determined in accordance with subsection 7.2(b) hereof.

(n) "Stock" means the U.S. \$1.25 par value Common Stock of the Company.

2.2 Headings; Gender and Number. The headings contained in the Plan are for reference purposes only and shall not affect in any way the meaning or interpretation of the Plan. Except when otherwise indicated by the context, the masculine gender shall also include the feminine gender, and the definition of any term herein in the singular shall also include the plural.

SECTION 3

PLAN ADMINISTRATION

3.1 Administration by the Committee.

(a) The Plan shall be administered by the Committee. In accordance with the provisions of the Plan, the Committee shall, in its sole discretion, select the Participants from among the Eligible Employees, determine the Stock Appreciation Rights to be granted pursuant to the Plan, the number of shares of Stock to which each Stock Appreciation Right relates, the time at which such Stock Appreciation Rights are to be granted, fix the SAR Price, and establish such other terms and requirements as the Committee may deem necessary or desirable and consistent with the terms of the Plan. The Committee shall determine the form or forms of the agreements with Participants which shall evidence the particular provisions, terms, conditions, rights and duties of the Company and the Participants with respect to Stock Appreciation Rights granted pursuant to the Plan, which provisions need not be identical except as may be provided herein.

(b) The Committee may from time to time adopt such rules and regulations for carrying out the purposes of the Plan as it may deem proper and in the best interests of the Company. The Committee may appoint an Administrative Agent, who need not be a member of the Committee or an employee of the Company, to assist the Committee in administration of the Plan and to whom it may delegate such powers as the Committee deems appropriate, except that the Committee shall determine any dispute. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan, or in any agreement entered into hereunder, in the manner and to the extent it shall deem expedient and it shall be the sole and final judge of such

expediency. No member of the Committee shall be liable for any action or determination made in good faith. The determination, interpretations and other actions of the Committee pursuant to the provisions of the Plan shall be binding and conclusive for all purposes and on all persons.

SECTION 4

ADJUSTMENTS TO OR OTHER CHANGES IN STOCK

4.1 Adjustments for Stock Split, Stock Dividend, etc. If the Company shall at any time increase or decrease the number of its outstanding shares of Stock or change in any way the rights and privileges of such shares by means of the payment of a Stock dividend or any other distribution upon such shares payable in Stock, or through a Stock split, subdivision, consolidation, combination, reclassification or recapitalization involving the Stock then in relation to the Stock that is affected by one or more of the above events, the numbers, rights and privileges of the following shall be, in each case, equitably and proportionally adjusted to take into account the occurrence of any of the above events, (i) the shares of Stock to which each outstanding Stock Appreciation Right relates; and (iii) the SAR Price for each outstanding Stock Appreciation Right granted hereunder.

4.2 Other Changes in Stock. In the event there shall be any change, other than as specified in Section 4.1 hereof, in the number or kind of outstanding shares of Stock or of any stock or other securities into which the Stock shall be changed or for which it shall have been exchanged, and if the Committee shall in its discretion determine that such change equitably requires an adjustment in the number or kind of shares to which outstanding Stock Appreciation Rights relate, then such adjustments shall be made by the Committee and shall be effective for all purposes of the Plan and for each outstanding Stock Appreciation Right that involves the particular type of stock for which a change was effected.

4.3 Determination by the Committee, Etc. Adjustments under this Section 4 shall be made by the Committee, whose determinations with regard thereto shall be final and binding upon all parties.

SECTION 5

REORGANIZATION OR LIQUIDATION

In the event that the Company is merged or consolidated with another corporation and the Company is not the surviving corporation, or if all or substantially all of the assets or more than 20 percent of the outstanding voting stock of the Company is acquired by any other corporation, business entity or person, or in case of a reorganization (other than a reorganization under the United States Bankruptcy Code) or liquidation of the Company, and if the provisions of Section 8 hereof do not apply, the Committee, or the board of directors of any corporation assuming the obligations of the Company, shall, as to the Plan and outstanding Stock Appreciation Rights either (i) make appropriate provision for the adoption and continuation of the Plan by the acquiring or successor corporation and for the protection of any such outstanding Stock Appreciation Rights by the substitution on an equitable basis of appropriate stock of the Company or of the merged, consolidated or otherwise reorganized corporation which will be issuable with respect to the Stock, provided that no additional benefits shall be conferred upon the Participants holding such Stock Appreciation Rights as a result of such substitution, and the excess of the aggregate Fair Market Value of the shares of Stock to which the Stock Appreciation Rights relate immediately after such substitution over the aggregate SAR Price thereof is not more than the excess of the aggregate Fair Market Value of the shares of Stock to which such Stock Appreciation Rights relate immediately before such substitution over the aggregate Unit Price thereof, or (ii) upon written notice to the Participants, provide that all unexercised Stock Appreciation Rights shall be exercised within a specified number of days of the date of such notice or such Stock Appreciation Rights will be terminated. In the latter event, the Committee shall accelerate the vesting dates of outstanding Stock Appreciation Rights so that all Stock Appreciation Rights become fully vested and exercisable prior to any such event.

SECTION 6

PARTICIPATION

Participants in the Plan shall be those Eligible Employees who, in the judgment of the Committee, are performing, or during the term of their incentive arrangement will perform, vital services in the management, operation and development of the Company or an Affiliated Corporation, and significantly contribute, or are expected to significantly contribute, to the achievement of the Company's long-term corporate economic objectives. Participants may be granted from time to

time one or more Stock Appreciation Rights; provided, however, that the grant of each such Stock Appreciation Right shall be separately approved by the Committee, and receipt of one such Stock Appreciation Right shall not result in automatic receipt of any other Stock Appreciation Right. Upon determination by the Committee that a Stock Appreciation Right is to be granted to a Participant, written notice shall be given to such person, specifying the terms, conditions, rights and duties related thereto. Each Participant shall, if required by the Committee, enter into an agreement with the Company, in such form as the Committee shall determine and which is consistent with the provisions of the Plan, specifying such terms, conditions, rights and duties. Stock Appreciation Rights shall be deemed to be granted as of the date specified in the grant resolution of the Committee, which date shall be the date of any related agreement with the Participant. In the event of any inconsistency between the provisions of the Plan and any such agreement entered into hereunder, the provisions of the Plan shall govern.

SECTION 7

STOCK APPRECIATION RIGHTS

7.1 Grant of Stock Appreciation Rights. Coincident with or following designation for participation in the Plan, an Eligible Employee may be granted one or more Stock Appreciation Rights. Grants of Stock Appreciation Rights under the Plan shall be made by the Committee. In no event shall the exercise of one Stock Appreciation Right affect the right to exercise any other Stock Appreciation Right or affect the number of shares of Stock to which any other Share Appreciation Right relates, except as provided in subsection 7.2(j) hereof.

7.2 Stock Appreciation Right Agreements. Each Stock Appreciation Right granted under the Plan shall be evidenced by a written agreement which shall be entered into by the Company and the Participant to whom the Stock Appreciation Right is granted (the "Stock Appreciation Right Agreement"), and which shall contain the following terms and conditions, as well as such other terms and conditions, not inconsistent therewith, as the Committee may consider appropriate in each case:

(a) Number of Shares. Each Stock Appreciation Right Agreement shall state that it relates to a specified number of shares of Stock, as determined by the Committee.

(b) SAR Price. The price shall be determined in each case by the Committee at the time of grant and set forth in the Stock Appreciation Right Agreement, but in no event shall the SAR Price be less than the Fair Market Value of the Stock on the Grant Date.

(c) Duration of Stock Appreciation Rights; Employment Required For Exercise. Each Stock Appreciation Right Agreement shall state the period of time, determined by the Committee, within which the Stock Appreciation Right may be exercised by the Participant (the "Stock Appreciation Right Period"). The Stock Appreciation Right Period must end, in all cases, not more than ten years from the Grant Date. Except as otherwise provided in Sections 5 and 8 and subsection 7.2(d)(iv) hereof, each Stock Appreciation Right granted under the Plan shall become exercisable in increments such that 25 percent of the Share Appreciation Right becomes exercisable on each of the four subsequent one-year anniversaries of the date the Stock Appreciation Right is granted, provided that each such additional 25-percent increment shall become exercisable only if the Participant has been continuously employed by the Company from the date the Stock Appreciation Right is granted through the date on which each such additional 25-percent increment becomes exercisable.

(d) Termination of Employment, Death, Disability, Etc. Each Stock Appreciation Right Agreement shall provide as follows with respect to the exercise of the Stock Appreciation Right upon termination of the employment or the death of the Participant:

(i) If the employment of the Participant by the Company is terminated within the Stock Appreciation Right Period for cause, as determined by the Company, the Stock Appreciation Right shall thereafter be void for all purposes. As used in this subsection 7.2(d), "cause" shall mean a gross violation, as determined by the Company, of the Company's established policies and procedures, provided that the effect of this subsection 7.2(d) shall be limited to determining the consequences of a termination and that nothing in this subsection 7.2(d) shall restrict or otherwise interfere with the Company's discretion with respect to the termination of any employee.

(ii) If the Participant retires from employment by the Company on or after attaining age 60, the Stock Appreciation Right may be exercised by the Participant within 36 months following his or her retirement (provided that such exercise must occur within the Stock Appreciation Right Period), but not thereafter. In the event of the Participant's death during such 36-month period, each Stock Appreciation Right may be exercised by those entitled to do so in the manner referred to in (iv) below. In any such case, the Stock Appreciation Right

may be exercised only as to the increment(s) of the Stock Appreciation Right that have become exercisable on or before the date of the Participant's retirement.

(iii) If the Participant becomes disabled (as determined pursuant to the Company's Long-Term Disability Plan or any successor plan), during the Stock Appreciation Right Period while still employed, or within the three-month period referred to in subsection 7.2(d)(v) below, or within the 36-month period referred to in subsection 7.2(d)(ii) above, the Stock Appreciation Right may be exercised by the Participant or by his or her guardian or legal representative, within twelve months following the Participant's disability, or within the 36-month period referred to in subsection 7.2(d)(ii) above if applicable and if longer (provided that such exercise must occur within the Stock Appreciation Right Period), but not thereafter. In the event of the Participant's death during such twelve-month period, each Stock Appreciation Right may be exercised by those entitled to do so in the manner referred to in subsection 7.2(d)(iv) below. In any such case, the Stock Appreciation Right may be exercised only as to the increment(s) of the Stock Appreciation Right that have become exercisable on or before the date of the Participant's disability.

(iv) In the event of the Participant's death while still employed by the Company, each Stock Appreciation Right of the deceased Participant may be exercised by those entitled to do so under the Participant's will or under the laws of descent and distribution within twelve months following the Participant's death (provided that in any event such exercise must occur within the Stock Appreciation Right Period), but not thereafter, as to all increments of each Stock Appreciation Right, including each 25-percent increment of the Stock Appreciation Right, if any, which has not yet become exercisable at the time of the Participant's death. In the event of the Participant's death within the 36-month period referred to in subsection 7.2(d)(ii) above, the increment(s) of or within the twelve-month period referred to in subsection 7.2(d)(iii) above, the increment(s) of each Stock Appreciation Right of the deceased Participant that are exercisable at the time of death may be exercised by those entitled to do so under the Participant's will or under the laws of descent and distribution within twelve months following the Participant's death or within the 36-month period referred to in subsection 7.2(d)(ii) above, if applicable and if longer (provided that in any event such exercise must occur within the Stock Appreciation Right Period).

(v) If the employment of the Participant by the Company is terminated (which for this purpose means that the Participant is no longer employed by the Company or by an Affiliated Corporation) within the Stock Appreciation Right Period for any reason other than cause, the Participant's retirement on or after attaining age 60, or the Participant's disability or death, the

Stock Appreciation Right may be exercised by the Participant within three months following the date of such termination (provided that such exercise must occur within the Stock Appreciation Right Period), but not thereafter. In any such case, the Stock Appreciation Right may be exercised only as to the increment(s) of the Stock Appreciation Right that have become exercisable on or before the date of termination of the Participant's employment.

(e) Transferability. Each Stock Appreciation Right Agreement shall provide that the Stock Appreciation Right granted therein is not transferable by the Participant except by will or pursuant to the laws of descent and distribution, and that such Stock Appreciation Right is exercisable during the Participant's lifetime only by him or her, or in the event of the Participant's disability or incapacity, by his or her guardian or legal representative.

(f) Agreement to Continue in Employment. Each Stock Appreciation Right Agreement shall contain the Participant's agreement to remain in the employment of the Company, at the pleasure of the Company, for a continuous period of at least one year after the date of such Stock Appreciation Right Agreement, at the salary rate in effect on the date of such agreement or at such changed rate as may be fixed, from time to time, by the Company.

(g) Exercise, Payments, Etc.

(i) Each Stock Appreciation Right Agreement shall provide that the method for exercising the Stock Appreciation Right granted therein shall be by delivery to the Administrative Agent or to the Office of the Secretary of the Company of written notice specifying the number of shares of Stock that relate to the Stock Appreciation Right being exercised. Such notice shall be in a form satisfactory to the Committee and shall specify the particular Stock Appreciation Rights (or portions thereof) which are being exercised and the number of shares of Stock that relate to the Stock Appreciation Rights being exercised. The exercise of the Stock Appreciation Right shall be deemed effective on the date such notice is received by the Administrative Agent or by the Office of the Secretary (the "Exercise Date").

(ii) Subject to subsection 7.2(i) and Section 12.1 hereof, the amount to which the Participant is entitled as a result of the exercise of the Stock Appreciation Right shall be paid through the Company's payroll system, as part of the payroll cycle next following the Exercise Date.

(iii) For purposes of the Plan, the income resulting from a Stock Appreciation Right exercise shall be based on the Fair Market Value of the Stock for the Exercise Date.

(h) Grant Date. A Stock Appreciation Right shall be considered as having been granted on the date specified in the grant resolution of the Committee.

(i) Tax Withholding. Each Stock Appreciation Right Agreement shall provide that, upon exercise of a Stock Appreciation Right, minimum tax withholding required by Sections 3102 and 3402 or any successor section(s) of the Internal Revenue Code and applicable state and local income and other tax laws shall be deducted from the amount payable to the Participant.

(j) Adjustment of Stock Appreciation Rights. Subject to the provisions of Sections 4, 5, 7, 8 and 11 hereof, the Committee may make any adjustment in the number of shares of Stock to which an outstanding Stock Appreciation Right relates, or the terms of an outstanding Stock Appreciation Right and a subsequent granting of a Stock Appreciation Right, by amendment or by substitution for an outstanding Stock Appreciation Right; however, except as provided in Sections 4, 5, 8 and 11 hereof, the Committee may not adjust the SAR Price of any outstanding Stock Appreciation Right. Such amendment or substitution may result in terms and conditions (including the number of shares of Stock to which the Stock Appreciation Right relates, vesting schedule or Stock Appreciation Right Period) that differ from the terms and conditions of the original Stock Appreciation Right. The Committee may not, however, adversely affect the rights of any Participant to previously granted Stock Appreciation Rights without the consent of such Participant. If such action is effected by amendment, the effective date of such amendment will be the date of grant of the original Stock Appreciation Right.

7.3 Stockholder Privileges. No Participant shall have any rights as a stockholder with respect to any shares of Stock to which a Stock Appreciation Right relates.

SECTION 8

CHANGE OF CONTROL

8.1 In General. In the event of the occurrence of a change of control of the Company, as defined in Section 8.3 hereof, all outstanding Stock Appreciation Rights shall become automatically vested, without further action by the Committee or the Board, so as to make all such Stock Appreciation Rights fully vested and exercisable as of the date of such change of control.

8.2 Limitation on Payments. If the provisions of this Section 8 would result in the receipt by any Participant of a payment within the meaning of Section 280G or any successor section(s) of the Internal Revenue Code, and the regulations promulgated thereunder, and if the receipt of such payment by any Participant would, in the opinion of independent tax counsel of recognized standing selected by the Company, result in the payment by such Participant of any excise tax provided for in Sections 280G and 4999 or any successor section(s) of the Internal Revenue Code, then the amount of such payment shall be reduced to the extent required, in the opinion of independent tax counsel, to prevent the imposition of such excise tax; provided, however, that the Committee, in its sole discretion, may authorize the payment of all or any portion of the amount of such reduction to the Participant.

8.3 Definition. For purposes of the Plan, a "change of control" shall mean any of the events specified in the Company's Income Continuation Plan or any successor plan which constitute a change of control within the meaning of such plan.

SECTION 9

RIGHTS OF EMPLOYEES, PARTICIPANTS

9.1 Employment. Nothing contained in the Plan or in any Stock Appreciation Right granted under the Plan shall confer upon any Participant any right with respect to the continuation of his or her employment by the Company or any Affiliated Corporation, or interfere in any way with the right of the Company or any Affiliated Corporation, subject to the terms of any separate employment agreement to the contrary, at any time to terminate such employment or to increase or decrease the level of the Participant's compensation from the level in existence at the time of the grant of an Stock Appreciation Right. Whether an

authorized leave of absence, or absence in military or government service, shall constitute a termination of employment shall be determined by the Committee at the time.

9.2 Nontransferability. No right or interest of any Participant in an Stock Appreciation Right granted pursuant to the Plan shall be assignable or transferable during the lifetime of the Participant, either voluntarily or involuntarily, or subjected to any lien, directly or indirectly, by operation of law, or otherwise, including execution, levy, garnishment, attachment, pledge or bankruptcy. In the event of a Participant's death, a Participant's rights and interests in any Stock Appreciation Right shall, to the extent provided in Section 7 hereof, be transferable by testamentary will or the laws of descent and distribution, and payment of any amounts due under the Plan shall be made to, and exercise of any Stock Appreciation Right may be made by, the Participant's legal representatives, heirs or legatees. If, in the opinion of the Committee, a person entitled to payments or to exercise rights with respect to the Plan is disabled from caring for his or her affairs because of mental condition, physical condition or age, payment due such person may be made to, and such rights shall be exercised by, such person's guardian, conservator or other legal personal representative upon furnishing the Committee with evidence of such status satisfactory to the Committee.

SECTION 10

OTHER EMPLOYEE BENEFITS

The amount of any income deemed to be received by a Participant as a result of a Stock Appreciation Right exercise shall not constitute "earnings" or "compensation" with respect to which any other employee benefits of such Participant are determined including, without limitation, benefits under any pension, profit sharing, life insurance or salary continuation plan.

SECTION 11

PLAN AMENDMENT, MODIFICATION AND TERMINATION

The Committee or the Board may at any time terminate, and from time to time may amend or modify the Plan provided, however, that no amendment or modification may become effective without approval of the amendment or modification by the Company's stockholders if stockholder approval is required to

enable the Plan to satisfy any applicable statutory or regulatory requirements unless the Company, on the advice of counsel, determines that stockholder approval is otherwise necessary or desirable.

No amendment, modification or termination of the Plan shall in any manner adversely affect any Stock Appreciation Right theretofore granted under the Plan, without the consent of the Participant holding such Stock Appreciation Right.

The Committee shall have the authority to adopt such modifications, procedures and subplans as may be necessary or desirable to comply with the provisions of the laws (including, but not limited to, tax laws and regulations) of countries other than the United States in which the Company may operate, so as to assure the viability of the benefits of the Plan to Participants employed in such countries.

SECTION 12

WITHHOLDING

12.1 Withholding Requirement. The Company's obligations to deliver the amounts payable to the Participant for the exercise of a Stock Appreciation Right, shall be subject to the Participant's satisfaction of all applicable federal, state and local income and other tax withholding requirements.

12.2 Excess Withholding. At the time the Committee grants a Stock Appreciation Right, it may, in its sole discretion, grant the Participant an election to pay additional or excess amounts of tax withholding, beyond the required amounts and up to the Participant's marginal tax rate. Such election must be specified in the written notice of exercise given in accordance with subsection 7.2(g) hereof.

SECTION 13

REQUIREMENTS OF LAW

13.1 Requirements of Law. The payment of amounts pursuant to the Plan shall be subject to all applicable laws, rules and regulations.

13.2 Federal Securities Laws Requirements. If a Participant is an officer or director of the Company within the meaning of Section 16 of the 1934 Act, Stock Appreciation Rights granted hereunder shall be subject to all conditions required

under Rule 16b-3, or any successor rule(s) promulgated under the 1934 Act, to qualify the Stock Appreciation Right for any exception from the provisions of Section 16 available under such rule. Such conditions are hereby incorporated herein by reference and shall be set forth in the Stock Appreciation Right Agreement with the Participant which describes the Stock Appreciation Right.

13.3 Governing Law. The Plan and all Stock Appreciation Right Agreements hereunder shall be construed in accordance with and governed by the laws of the State of Texas.

SECTION 14

DURATION OF THE PLAN

The Plan shall terminate at such time as may be determined by the Board, and no Stock Appreciation Right shall be granted after such termination. If not sooner terminated under the preceding sentence, the Plan shall fully cease and expire at midnight on May 1, 2008. Any Stock Appreciation Rights outstanding at the time of the Plan termination shall continue to be exercisable in accordance with the Stock Appreciation Right Agreement pertaining to each such Stock Appreciation Right.

Dated: May 1, 2003

APACHE CORPORATION

ATTEST:

/s/ Cheri L. Peper

Cheri L. Peper
Corporate Secretary

By: /s/ Jeffrey M. Bender

Jeffrey M. Bender
Vice President, Human Resources