

APACHE CORP
Form S-4
May 19, 2010

Table of Contents

As filed with the Securities and Exchange Commission on May 19, 2010
Registration No. 333-

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

**Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

APACHE CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware

*(State or other jurisdiction of
Incorporation or Organization)*

1311

*(Primary Standard Industrial
Classification Code Number)*

41-0747868

*(I.R.S. Employer
Identification Number)*

**One Post Oak Central
2000 Post Oak Boulevard, Suite 100
Houston, Texas 77056-4400
(713) 296-6000**

*(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)*

**P. Anthony Lannie
Executive Vice President and General Counsel
Apache Corporation
One Post Oak Central
2000 Post Oak Boulevard, Suite 100
Houston, Texas 77056-4400
(713) 296-6000**

*(Name, address, including zip code, and telephone number,
including area code, of agent for service)*

Copies To:

**John B. Clutterbuck
Tim C. Langenkamp
Andrews Kurth LLP
600 Travis, Suite 4200
Houston, Texas 77002
(713) 220-4200**

**Teresa G. Bushman
Senior Vice President, General
Counsel,
and Secretary
Mariner Energy, Inc.
One BriarLake Plaza
2000 West Sam Houston Parkway
South,
Suite 2000
Houston, Texas 77042
(713) 954-5505**

**Kelly B. Rose
M. Breen Haire
Baker Botts L.L.P.
One Shell Plaza
910 Louisiana Street
Houston, Texas 77002-4995
(713) 229-1234**

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of all other conditions to the closing of the merger described herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Table of Contents**CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities to be Registered(1)	Amount to be Registered(2)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price(3)	Amount of Registration Fee(4)
Common Stock, par value \$0.625 per share, including the associated preferred stock purchase rights	17,595,425	N/A	\$1,526,939,714	\$108,870.80

- (1) The registration statement also covers the associated preferred stock purchase rights (the Rights) issued pursuant to the Rights Agreement, dated January 31, 1996, between Apache Corporation and Wells Fargo Bank, N.A. (as successor-in-interest to Norwest Bank Minnesota, N.A.), as amended by Amendment No. 1 thereto dated as of January 31, 2006. Until the occurrence of certain events, the Rights will not be exercisable for or evidenced separately from the shares of common stock of the registrant.
- (2) Represents the maximum number of shares of common stock, par value \$0.625 per share, of Apache Corporation estimated to be issuable upon the completion of the merger described herein, based on the number of shares of Mariner Energy, Inc. common stock outstanding, or issuable pursuant to outstanding stock options, as of May 10, 2010 (other than certain shares of performance-based restricted stock, which will be cancelled in the merger) and the maximum number of restricted shares of Mariner common stock that may be issued prior to the completion of the merger and the exchange of each such share for 0.17043 shares of Apache Corporation common stock, pursuant to the merger agreement described herein.
- (3) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act and calculated pursuant to Rule 457(f)(1) and (f)(3) and 457(c) of the Securities Act. The proposed maximum aggregate offering price of the registrant's common stock was calculated based upon the market value of shares of Mariner common stock (the maximum number of securities to be cancelled and exchanged in the merger) in accordance with Rule 457(c) under the Securities Act as follows: (i) the product of (a) \$22.59, the average of the high and low prices per share of Mariner common stock on the New York Stock Exchange on May 17, 2010, and (b) 103,241,360, the maximum possible number of shares of Mariner common stock that may be cancelled and exchanged in the merger as of May 10, 2010, less (ii) the estimated amount of cash of \$805,282,608 that would be paid by Apache Corporation in exchange for such maximum possible number of shares of Mariner common stock.
- (4) Determined in accordance with Section 6(b) of the Securities Act and SEC Fee Advisory #4 for Fiscal Year 2010 at a rate equal to \$71.30 per \$1,000,000 of the proposed maximum aggregate offering price.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this proxy statement/prospectus is not complete and may be changed. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This proxy statement/prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY SUBJECT TO COMPLETION, DATED MAY 19, 2010

PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT

Dear Stockholders of Mariner Energy, Inc.:

On April 14, 2010, Mariner Energy, Inc. and Apache Corporation entered into a merger agreement that provides for Mariner to merge with and into a wholly owned subsidiary of Apache. The Mariner board of directors has determined that the merger and the merger agreement are advisable and in the best interests of Mariner and its stockholders and has approved the merger agreement and the merger.

Under the merger agreement, Mariner stockholders may elect to receive consideration consisting of cash, shares of Apache common stock or a combination of both in exchange for their shares of Mariner common stock, subject to a proration feature. Mariner stockholders electing to receive a mix of cash and stock consideration and non-electing stockholders will receive \$7.80 in cash and 0.17043 shares of Apache common stock in exchange for each share of Mariner common stock. Subject to proration, Mariner stockholders electing to receive all cash will receive \$26.00 in cash per Mariner share and Mariner stockholders electing to receive only Apache common stock will receive 0.24347 shares of Apache common stock in exchange for each share of Mariner common stock.

Immediately following completion of the merger, it is expected that Mariner stockholders will own approximately 5% of the outstanding shares of Apache common stock, based on the number of shares of Mariner and Apache common stock outstanding as of May 10, 2010.

Apache's common stock is listed on the New York Stock Exchange, the Chicago Stock Exchange and the NASDAQ National Market under the symbol APA.

Mariner's common stock is listed on the New York Stock Exchange under the symbol ME.

Mariner is holding a special meeting of stockholders on [], 2010 to consider and vote to approve and adopt the merger agreement, as it may be amended from time to time. Your vote is very important. The merger cannot be completed unless the holders of a majority of the outstanding shares of Mariner common stock vote for the approval and adoption of the merger agreement at the special meeting. **Please note that a failure to vote your shares is the equivalent of a vote AGAINST the approval and adoption of the merger agreement.**

The Mariner board of directors unanimously recommends that Mariner stockholders vote FOR the approval and adoption of the merger agreement.

Your vote is important. Whether or not you expect to attend the Mariner special meeting in person, we urge you to submit your proxy as promptly as possible through one of the delivery methods described in the accompanying proxy statement/prospectus.

In addition, we urge you to read carefully the accompanying proxy statement/prospectus (and the documents incorporated by reference into the accompanying proxy statement/prospectus), which includes important information about the merger agreement, the proposed merger, Mariner, Apache and the special meeting. The obligations of Apache and Mariner to complete the merger are subject to the satisfaction or waiver of several conditions set forth in the merger agreement. **Please pay particular attention to the section titled Risk Factors in the accompanying proxy statement/prospectus.**

On behalf of the Mariner board of directors, thank you for your continued support.

Sincerely,

Scott D. Josey
Chairman of the Board, Chief Executive Officer and President

Neither the Securities and Exchange Commission, which is referred to as the SEC, nor any state securities commission has approved or disapproved of the merger or the securities to be issued under this proxy statement/prospectus or has passed upon the adequacy or accuracy of the disclosure in this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated [], 2010, and is first being mailed to Mariner stockholders on or about [], 2010.

Table of Contents

**One BriarLake Plaza
2000 West Sam Houston Parkway South, Suite 2000
Houston, Texas 77042
(713) 954-5500**

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To the Stockholders of Mariner Energy, Inc.:

Notice is hereby given that a special meeting of stockholders of Mariner Energy, Inc., a Delaware corporation, which is referred to as Mariner, will be held on [], 2010 at [], local time, at Mariner's principal executive offices located at One BriarLake Plaza, 2000 West Sam Houston Parkway South, Suite 2000, Houston, Texas 77042, for the following purposes:

1. to consider and vote on the proposal to approve and adopt the Agreement and Plan of Merger, dated April 14, 2010 (referred to as the merger agreement), by and among Apache Corporation, which is referred to as Apache, ZMZ Acquisitions LLC, a Delaware limited liability company and a wholly owned subsidiary of Apache, and Mariner, as it may be amended from time to time (a copy of the merger agreement is attached as Annex A to the proxy statement/prospectus accompanying this notice);
2. to consider and vote on any proposal to adjourn the special meeting to a later date or dates if necessary to solicit additional proxies if there are insufficient votes to approve and adopt the merger agreement at the time of the special meeting; and
3. to transact any other business that may properly come before the special meeting or any adjournment or postponement of the special meeting.

These items of business, including the merger agreement and the proposed merger, are described in detail in the accompanying proxy statement/prospectus. **The Mariner board of directors has determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger, are advisable and in the best interests of Mariner and its stockholders and unanimously recommends that Mariner stockholders vote FOR the proposal to approve and adopt the merger agreement and FOR any proposal to adjourn the special meeting if necessary to solicit additional proxies in favor of approval and adoption.** In considering the recommendation of Mariner's board of directors, stockholders of Mariner should be aware that members of Mariner's board of directors and its executive officers have agreements and arrangements that provide them with interests in the merger that may be different from, or in addition to, those of Mariner stockholders. See "The Merger - Interests of the Mariner Directors and Executive Officers in the Merger."

Only stockholders of record as of the close of business on [], 2010 are entitled to notice of the Mariner special meeting and to vote at the Mariner special meeting or at any adjournment or postponement thereof. A list of stockholders entitled to vote at the special meeting will be available in our principal executive offices located at One BriarLake Plaza, 2000 West Sam Houston Parkway South, Suite 2000, Houston, Texas 77042, during regular business hours for a period of no less than ten days before the special meeting and at the place of the special meeting during the meeting.

Approval and adoption of the merger agreement by the Mariner stockholders is a condition to the merger and requires the affirmative vote of holders of a majority of the shares of Mariner common stock outstanding and entitled to vote thereon. Therefore, your vote is very important. **Your failure to vote your shares will have the same effect as a vote AGAINST the approval and adoption of the merger agreement.**

By Order of the Board of Directors of
Mariner Energy, Inc.

Teresa G. Bushman,
Senior Vice President, General Counsel, and Secretary
Houston, Texas
[], 2010

Table of Contents

YOUR VOTE IS IMPORTANT!

WHETHER OR NOT YOU EXPECT TO ATTEND THE MARINER SPECIAL MEETING IN PERSON, WE URGE YOU TO SUBMIT YOUR PROXY AS PROMPTLY AS POSSIBLE (1) THROUGH THE INTERNET, (2) BY TELEPHONE OR (3) BY MARKING, SIGNING AND DATING THE ENCLOSED PROXY CARD AND RETURNING IT IN THE POSTAGE-PAID ENVELOPE PROVIDED. You may revoke your proxy or change your vote at any time before the Mariner special meeting. If your shares are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished to you by such record holder. Brokers cannot vote on the proposal to approve and adopt the merger agreement without your instructions.

We urge you to read the accompanying proxy statement/prospectus, including all documents incorporated by reference into the accompanying proxy statement/prospectus, and its annexes carefully and in their entirety. If you have any questions concerning the merger, the special meeting or the accompanying proxy statement/prospectus, would like additional copies of the accompanying proxy statement/prospectus or need help voting your shares of Mariner common stock, please contact Mariner's proxy solicitor:

Morrow & Co., LLC
470 West Avenue
Stamford, CT 06902
Stockholders, call toll-free: (800) 278-2141
Banks and brokers, call collect: (203) 658-9400

Table of Contents

ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about Apache and Mariner from other documents filed with the SEC that are not included or delivered with this proxy statement/prospectus. See *Where You Can Find More Information; Incorporation by Reference*.

Documents incorporated by reference are available to you without charge upon written or oral request. You can obtain any of these documents by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers.

Apache Corporation
Attention: Corporate Secretary
One Post Oak Central
2000 Post Oak Boulevard, Suite 100
Houston, Texas 77056-4400
(713) 296-6157
www.apachecorp.com

Mariner Energy, Inc.
Attention: Corporate Secretary
One BriarLake Plaza
2000 West Sam Houston Parkway South, Suite 2000
Houston, Texas 77042
(713) 954-5505
www.mariner-energy.com

To receive timely delivery of the requested documents in advance of the special meeting, you should make your request no later than [], 2010.

ABOUT THIS DOCUMENT

This document, which forms part of a registration statement on Form S-4 filed with the SEC by Apache (File No. 333-[]), constitutes a prospectus of Apache under Section 5 of the Securities Act of 1933, as amended, which we refer to as the Securities Act, with respect to the shares of Apache common stock to be issued pursuant to the merger agreement. This document also constitutes a notice of meeting and a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act, with respect to the special meeting of Mariner stockholders, at which Mariner stockholders will be asked to consider and vote on, among other matters, a proposal to approve and adopt the merger agreement.

You should rely only on the information contained in or incorporated by reference into this document. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this document. This document is dated [], 2010. The information contained in this document is accurate only as of that date or in the case of information in a document incorporated by reference, as of the date of such document, unless the information specifically indicates that another date applies. Neither our mailing of this document to Mariner stockholders nor the issuance by Apache of shares of its common stock pursuant to the merger agreement will create any implication to the contrary.

Table of Contents

Table of Contents

<u>QUESTIONS AND ANSWERS ABOUT THE MERGER</u>	1
<u>SUMMARY</u>	7
<u>The Companies</u>	7
<u>The Merger</u>	7
<u>Election Procedures</u>	9
<u>Treatment of Equity Awards</u>	9
<u>Recommendation of the Mariner Board of Directors and its Reasons for the Merger</u>	9
<u>Opinion of Mariner's Financial Advisor</u>	10
<u>Directors and Executive Officers of Apache After the Merger</u>	10
<u>Mariner Stockholder Meeting; Stockholders Entitled to Vote; Vote Required</u>	10
<u>Apache Stockholder Approval is Not Required</u>	11
<u>Ownership of Apache After the Merger</u>	11
<u>Share Ownership of Directors and Executive Officers of Mariner</u>	11
<u>Interests of the Mariner Directors and Executive Officers in the Merger</u>	11
<u>Risks Relating to the Merger</u>	11
<u>Material U.S. Federal Income Tax Consequences of the Merger</u>	11
<u>Accounting Treatment</u>	11
<u>Listing of Shares of Apache Common Stock; Delisting and Deregistration of Mariner Common Stock</u>	12
<u>Appraisal Rights in the Merger</u>	12
<u>Conditions to the Merger</u>	12
<u>Regulatory Approvals Required for the Merger</u>	13
<u>No Solicitation and Change in Recommendation</u>	13
<u>Termination of the Merger Agreement</u>	13
Table of Contents	11

<u>Termination Fee</u>	14
<u>Source of Funding for the Merger</u>	14
<u>Comparison of Rights of Apache Stockholders and Mariner Stockholders</u>	14
<u>Litigation Relating to the Merger</u>	15
<u>SELECTED HISTORICAL FINANCIAL, OPERATING AND RESERVE DATA OF APACHE</u>	16
<u>SELECTED HISTORICAL FINANCIAL, OPERATING AND RESERVE DATA OF MARINER</u>	18
<u>UNAUDITED COMPARATIVE PER SHARE INFORMATION</u>	20
<u>COMPARATIVE APACHE AND MARINER MARKET PRICE AND DIVIDEND DATA</u>	22
<u>Historical Market Prices</u>	22
<u>Dividends</u>	23
<u>RISK FACTORS</u>	24
<u>CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS</u>	31
<u>THE COMPANIES</u>	33
<u>Apache Corporation</u>	33
<u>Mariner Energy, Inc.</u>	33

Table of Contents

<u>ZMZ Acquisitions LLC</u>	33
<u>THE MERGER</u>	34
<u>General</u>	34
<u>Background of the Merger</u>	35
<u>Recommendation of the Mariner Board of Directors and Its Reasons for the Merger</u>	42
<u>Opinion of Mariner's Financial Advisor</u>	44
<u>Mariner Projected Financial Information</u>	53
<u>Share Ownership of Directors and Executive Officers of Mariner</u>	55
<u>Interests of the Mariner Directors and Executive Officers in the Merger</u>	56
<u>Apache Reasons for the Merger</u>	60
<u>Material U.S. Federal Income Tax Consequences of the Merger</u>	62
<u>Accounting Treatment</u>	66
<u>Regulatory Approvals Required for the Merger</u>	66
<u>Directors and Executive Officers of Apache After the Merger</u>	67
<u>Listing of Apache Common Stock</u>	67
<u>Delisting and Deregistration of Mariner Common Stock</u>	67
<u>Apache Stockholder Approval is Not Required</u>	67
<u>Ownership of Apache after the Merger</u>	67
<u>Restrictions on Sales of Shares of Apache Common Stock Received in the Merger</u>	67
<u>Litigation Relating to the Merger</u>	67
<u>THE MERGER AGREEMENT</u>	69
<u>Merger</u>	69
<u>Effective Time; Closing</u>	69
<u>Conversion of Securities</u>	69
Table of Contents	13

<u>Employee Stock Options; Restricted Shares</u>	70
<u>Dissenting Shares</u>	71
<u>Election Procedures</u>	71
<u>Allocation of Merger Consideration</u>	72
<u>Surrender of Shares; Stock Transfer Books</u>	72
<u>Withholding Taxes</u>	73
<u>Representations and Warranties</u>	73
<u>Conduct of Business Pending the Effective Time of the Merger</u>	76
<u>Certain Additional Agreements</u>	78
<u>Conditions to the Merger</u>	80
<u>Termination, Amendment and Waiver</u>	82
<u>APPRAISAL RIGHTS</u>	85
<u>SOURCE OF FUNDING FOR THE MERGER</u>	89
<u>COMPARISON OF RIGHTS OF APACHE STOCKHOLDERS AND MARINER STOCKHOLDERS</u>	90
<u>THE MARINER SPECIAL MEETING</u>	97
<u>Date, Time, Place and Purpose of the Mariner Special Meeting</u>	97

Table of Contents

<u>Who Can Vote at the Mariner Special Meeting</u>	97
<u>Quorum: Vote Required for Approval</u>	97
<u>Manner of Voting</u>	98
<u>Shares Held in Street Name</u>	98
<u>Tabulation of the Votes</u>	99
<u>Proxy Solicitation</u>	99
<u>No Other Business</u>	99
<u>Adjournments</u>	99
<u>Mariner 2011 Annual Stockholder Meeting and Stockholder Proposals</u>	99
<u>LEGAL MATTERS</u>	100
<u>EXPERTS</u>	100
<u>Apache</u>	100
<u>Mariner</u>	100
<u>WHERE YOU CAN FIND MORE INFORMATION; INCORPORATION BY REFERENCE</u>	101
<u>Annexes</u>	
Annex A Agreement and Plan of Merger	
Annex B Opinion of Mariner's Financial Advisor	
Annex C Section 262 of the General Corporation Law of the State of Delaware	
<u>EX-23.4</u>	
<u>EX-23.5</u>	
<u>EX-23.6</u>	
<u>EX-23.7</u>	
<u>EX-23.8</u>	
<u>EX-23.9</u>	
<u>EX-99.2</u>	

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE MERGER

The following are some questions that Mariner stockholders may have regarding the merger and the special meeting, and brief answers to those questions. You are encouraged to read carefully this entire proxy statement/prospectus, including the Annexes, and the other documents to which this proxy statement/prospectus refers or incorporates by reference because the information in this section does not provide all the information that might be important to you. Unless stated otherwise, all references in this proxy statement/prospectus to Apache are to Apache Corporation, a Delaware corporation; all references to Mariner are to Mariner Energy, Inc., a Delaware corporation; all references to Merger Sub or the surviving entity are to ZMZ Acquisitions LLC, a Delaware limited liability company and a wholly owned subsidiary of Apache; and all references to the merger agreement are to the Agreement and Plan of Merger, dated April 14, 2010, by and among Apache, Merger Sub and Mariner, a copy of which is attached as Annex A to this proxy statement/prospectus and is incorporated herein by reference.

Q: Why am I receiving this document?

A: Apache and Mariner have agreed to a merger, pursuant to which Mariner will merge with and into a wholly owned subsidiary of Apache and will cease to be a publicly held corporation. In order to complete the merger, Mariner stockholders must vote to approve and adopt the merger agreement, and Mariner is holding a special meeting of stockholders to obtain such stockholder approval. In the merger, Mariner stockholders may elect to receive consideration consisting of cash, shares of Apache common stock, or a combination of both in exchange for their shares of Mariner common stock, subject to a proration feature.

This document is being delivered to you as both a proxy statement of Mariner and a prospectus of Apache in connection with the merger. It is the proxy statement by which the Mariner board of directors is soliciting proxies from you to vote on the approval and adoption of the merger agreement, as it may be amended from time to time, at the special meeting or at any adjournment or postponement of the special meeting. It is also the prospectus by which Apache may issue Apache common stock to you in the merger.

Q: What will happen in the merger?

A: In the merger, Mariner will merge with and into Merger Sub, with Merger Sub surviving the merger as a wholly owned subsidiary of Apache. As a result of the merger, Mariner will cease to exist, Merger Sub will continue to be owned by Apache and Apache will continue as a public company.

Q: What will I receive in the merger?

A: The total amount of cash and shares of Apache common stock that will be paid and issued, respectively, pursuant to the merger agreement is fixed. If the merger is completed, each of your shares of Mariner common stock will be converted into the right to receive, at your election and subject to proration, one of the following: (i) 0.24347 shares of Apache common stock, par value \$0.625 per share, which is sometimes referred to as the stock consideration, (ii) \$26.00 in cash, which is sometimes referred to as the cash consideration or (iii) a combination of \$7.80 in cash and 0.17043 shares of Apache common stock, which is sometimes referred to as the mixed consideration, as described under "The Merger Agreement - Conversion of Securities."

Based on the closing price of \$108.06 for Apache common stock on the New York Stock Exchange, or NYSE, on April 14, 2010, the last trading day before the public announcement of the merger agreement, the mixed consideration represented approximately \$26.22 in value for each share of Mariner common stock. Based on the closing price of \$[]

for Apache common stock on the NYSE on [], 2010, the most recent practicable trading day prior to the date of this proxy statement/prospectus, the mixed consideration represented approximately \$[] in value for each share of Mariner common stock. **The market price of Apache common stock will fluctuate prior to the merger, and the market price of Apache common**

Table of Contents

stock received by Mariner stockholders upon completion of the merger could be greater or less than the current market price of Apache common stock. See Risk Factors.

Q: What happens if the merger is not completed?

A: If the merger agreement is not approved and adopted by Mariner stockholders or if the merger is not completed for any other reason, you will not receive any consideration for your shares of Mariner common stock in connection with the merger. Instead, Mariner will remain an independent public company and its common stock will continue to be listed and traded on the NYSE. If the merger agreement is terminated under certain circumstances, Mariner may be required to pay Apache a termination fee of \$67 million as described under The Merger Agreement Termination, Amendment and Waiver. See Risk Factors Risks Relating to the Merger Failure to complete the merger could negatively impact the stock price and the future business and financial results of Mariner.

Q: What will happen to Mariner's stock options and restricted stock in the merger?

A: Upon completion of the merger, each outstanding option to purchase Mariner common stock will be converted into a fully exercisable option to purchase the number of shares of Apache common stock obtained by multiplying the number of Mariner shares subject to the option by the 0.24347 exchange ratio, with a per share exercise price equal to the existing per-Mariner-share exercise price divided by the 0.24347 exchange ratio.

In addition, upon completion of the merger, each outstanding unvested share of Mariner restricted stock (other than shares of restricted stock granted pursuant to Mariner's 2008 Long-Term Performance-Based Restricted Stock Program, which are referred to as the Performance-Based Restricted Stock) will vest and will entitle the holder to the merger consideration in respect of each such vested share. Forty percent of each outstanding award of Performance-Based Restricted Stock held by Mariner employees will vest and will entitle the holder to the merger consideration in respect of each such vested share, and the remaining portion will be cancelled. See The Merger Agreement Employee Stock Options; Restricted Shares.

Q: When must I elect the type of merger consideration that I prefer to receive?

A: Holders of Mariner common stock who wish to elect the type of merger consideration they prefer to receive pursuant to the merger should review and follow carefully the instructions set forth in the election form provided to Mariner stockholders together with this proxy statement/prospectus or in a separate mailing. These instructions require that a properly completed and signed election form be received by the exchange agent by the election deadline, which is 5:00 p.m., New York time, on [], 2010. If the merger is consummated, each Mariner stockholder who did not submit a properly completed and signed election form to the exchange agent by the election deadline will receive a mix of cash and stock consideration consisting of \$7.80 in cash and 0.17043 shares of Apache common stock in exchange for each Mariner share.

Q: What am I being asked to vote on?

A: Mariner stockholders are being asked to vote on the following proposals:

to approve and adopt the merger agreement, as it may be amended from time to time; and

to approve the adjournment of the special meeting to a later date or dates if necessary to solicit additional proxies if there are insufficient votes to approve and adopt the merger agreement at the time of the special meeting.

The approval by Mariner stockholders of the proposal to approve and adopt the merger agreement is a condition to the obligations of Mariner and Apache to complete the merger.

Table of Contents

Q: Does Mariner's board of directors recommend that stockholders approve and adopt the merger agreement?

A: Yes. The Mariner board of directors has approved the merger agreement and the transactions contemplated thereby, including the merger, and determined that these transactions are advisable and in the best interests of Mariner and its stockholders. Therefore, the Mariner board of directors unanimously recommends that you vote **FOR** the proposal to approve and adopt the merger agreement at the special meeting. See The Merger Recommendation of the Mariner Board of Directors and its Reasons for the Merger.

In considering the recommendation of Mariner's board of directors, stockholders of Mariner should be aware that members of Mariner's board of directors and its executive officers have agreements and arrangements that provide them with interests in the merger that may be different from, or in addition to, those of Mariner stockholders. See The Merger Interests of the Mariner Directors and Executive Officers in the Merger.

Q: What stockholder vote is required for the approval of each proposal?

A: The following are the vote requirements for the proposals:

Approval and Adoption of the Merger Agreement. The affirmative vote of holders of a majority of the outstanding shares of Mariner common stock entitled to vote on the proposal, either in person or represented by proxy. Accordingly, abstentions and unvoted shares will have the same effect as votes **AGAINST** approval and adoption.

Adjournment. The affirmative vote of holders of a majority of the shares of Mariner common stock present in person or represented by proxy at the special meeting and entitled to vote thereat. Abstentions and broker non-votes will have the same effect as a vote **AGAINST** the proposal.

Your vote is very important. You are encouraged to submit a proxy as soon as possible.

Q: What constitutes a quorum for the special meeting?

A: The presence in person or by proxy of the holders of a majority of the outstanding shares of Mariner common stock is necessary to constitute a quorum at the special meeting. If a stockholder is not present in person or represented by proxy at the special meeting, such stockholder's shares will not be counted for purposes of calculating a quorum. Abstentions and broker non-votes count as present for establishing a quorum.

Q: If my shares are held in street name by my bank, broker or other nominee will they automatically vote my shares for me?

A: No. If you hold shares of Mariner common stock in an account at a bank, broker or other nominee and do not chose to attend the special meeting in person, you must provide your bank, broker or other nominee with instructions as to how to vote your shares of Mariner common stock. You may also vote in person at the special meeting; however, if you wish to do so, you must bring a proxy from the bank, broker or other nominee identifying you as the beneficial owner of such shares of Mariner common stock and authorizing you to vote. Brokers will NOT vote shares of Mariner common stock held in street name unless you have instructed your broker how to vote. A failure to vote will have the same effect as a vote **AGAINST** the approval and adoption of the merger agreement.

Q: Are there risks associated with the merger that I should consider in deciding how to vote?

A: Yes. There are a number of risks related to the merger that are discussed in this proxy statement/prospectus and in other documents incorporated by reference. You should read carefully the detailed description of the risks associated with the merger and the operations of Apache after the merger described in Risk Factors.

Table of Contents

Q: If my Mariner stock is certificated, should I send in my stock certificates with my proxy card?

A: No. Please do not send your Mariner stock certificates with your proxy card. Rather, prior to the election deadline, send your completed, signed election form, together with your Mariner common stock certificates (or a properly completed notice of guaranteed delivery) to the exchange agent. Please note that most of Mariner's shares are held in book-entry form and are uncertificated, which means that they are not represented by stock certificates. The election form for your Mariner shares and your instructions will be delivered to you together with this proxy statement/prospectus or in a separate mailing. If your shares of Mariner common stock are held in street name by your broker or other nominee, you should follow their instructions for making an election.

Q: What are the tax consequences of the merger?

A: Apache and Mariner each expect the merger to qualify as a reorganization that is tax free pursuant to Section 368(a) of the Internal Revenue Code of 1986, as amended, to the extent Mariner stockholders receive stock pursuant to the merger.

Please review carefully the information under the caption **The Merger – Material U.S. Federal Income Tax Consequences of the Merger** for a description of material U.S. federal income tax consequences of the merger. The tax consequences to you will depend on your own situation. Please consult your tax advisors for a full understanding of the tax consequences of the merger to you.

Q: When do Apache and Mariner expect to complete the merger?

A: Apache and Mariner are working to complete the merger as quickly as practicable. Apache and Mariner currently expect the merger to be completed during the third quarter of 2010, subject to the approval and adoption of the merger agreement by Mariner stockholders, governmental and regulatory approvals and other usual and customary closing conditions. However, no assurance can be given as to when, or if, the merger will occur. See **The Merger Agreement – Conditions to the Merger**.

Q: Will I receive dividends on any Apache common stock I receive in the merger?

A: Mariner historically has retained its earnings for the development of its business and, accordingly, has not paid dividends since it commenced regular way trading on March 3, 2006 on the NYSE. Mariner's existing bank credit facility and indentures governing its senior unsecured notes contain certain covenants that restrict Mariner's ability to pay dividends. However, after the merger is completed, you will be entitled to receive any dividends declared by Apache's board of directors with a record date after the effective time of the merger on any shares of Apache common stock you receive pursuant to the merger. Apache has paid cash dividends on its common stock for 45 consecutive years through December 31, 2009. However, when, and if, declared by Apache's board of directors, future dividend payments will depend upon Apache's level of earnings, financial requirements and other relevant factors.

Q: Where will my shares be traded after the merger?

A: Apache common stock will continue to be traded on the NYSE, the Chicago Stock Exchange and the NASDAQ National Market under the symbol **APA**. Mariner common stock will no longer be traded.

Q: What will Apache stockholders receive in the merger?

A: Apache common stockholders will simply retain the Apache common stock they currently own. They will not receive any additional Apache common stock in the merger.

Q: Am I entitled to appraisal rights?

A: If the merger is approved and adopted by Mariner stockholders, Mariner stockholders who do not vote in favor of the approval and adoption of the merger agreement and who properly demand appraisal of their shares will be entitled to appraisal rights in connection with the merger under Section 262 of the General

Table of Contents

Corporation Law of the State of Delaware, or the DGCL. For more information regarding appraisal rights, see Appraisal Rights. In addition, a copy of Section 262 of the DGCL is attached to this proxy statement/prospectus as Annex C.

Q: When and where is the special meeting?

A: The special meeting will be held on [], 2010 at [], local time, at Mariner's principal executive offices located at One BriarLake Plaza, 2000 West Sam Houston Parkway South, Suite 2000, Houston, Texas 77042.

Q: Who can vote at the special meeting?

A: All holders of Mariner common stock who held shares at the close of business on the record date for the special meeting ([], 2010) are entitled to receive notice of and to vote at the special meeting, provided that such shares remain outstanding on the date of the special meeting or any adjournment or postponement thereof. As of the close of business on the record date, there were [] shares of Mariner common stock outstanding and entitled to vote at the special meeting, held by approximately [] holders of record. Each share of Mariner common stock is entitled to one vote.

Q: Is my vote important?

A: Yes, your vote is very important. If you do not submit a proxy or vote in person at the special meeting, it will be more difficult for Mariner to obtain the necessary quorum to hold the special meeting. In addition, if you fail to vote, or if you abstain, that will have the same effect as a vote **AGAINST** the approval and adoption of the merger agreement. If you hold your shares through a bank, broker or other nominee, your bank, broker or other nominee will not be able to cast a vote on the approval and adoption of the merger agreement without instructions from you. The Mariner board of directors unanimously recommends that you vote **FOR** the approval and adoption of the merger agreement.

Q: What happens if I sell my shares after the record date but before the special meeting?

A: The record date for the special meeting is earlier than the date of the special meeting and the date that the merger is expected to be completed. If you sell or otherwise transfer your Mariner shares after the record date but before the date of the special meeting, you will retain your right to vote at the special meeting. However, you will not have the right to receive the merger consideration to be received by Mariner's stockholders in the merger. In order to receive the merger consideration, you must hold your shares through completion of the merger.

Q: What do I need to do now?

A: After you have carefully read this proxy statement/prospectus, please respond by completing, signing and dating your proxy card and returning it in the enclosed postage-paid envelope or, if available, by submitting your proxy by telephone or through the Internet as soon as possible so that your shares of Mariner common stock will be represented and voted at the special meeting.

Please refer to your proxy card or the information forwarded by your bank, broker or other nominee to see which voting options are available to you.

The Internet and telephone proxy submission procedures are designed to verify your stock holdings and to allow you to confirm that your instructions have been properly recorded.

The method by which you submit a proxy will in no way limit your right to vote at the special meeting if you later decide to attend the meeting in person. If your shares of Mariner common stock are held in the name of a bank, broker or other nominee, you must obtain a proxy, executed in your favor, from the holder of record, to be able to vote in person at the special meeting.

Table of Contents

Q: How will my proxy be voted?

A: All shares of Mariner common stock entitled to vote and represented by properly completed proxies received prior to the special meeting, and not revoked, will be voted at the special meeting as instructed on the proxies. **If you properly complete, sign and return a proxy card, but do not indicate how your shares of Mariner common stock should be voted, the shares of Mariner common stock represented by your proxy will be voted as the Mariner board of directors recommends and therefore FOR the approval and adoption of the merger agreement and FOR any proposal to adjourn the special meeting to a later date or dates if necessary to solicit additional proxies if there are insufficient votes to approve and adopt the merger agreement at the time of the special meeting.**

Q: Can I revoke my proxy or change my vote after I have delivered my proxy?

A: Yes. You may revoke or change your proxy at any time before your proxy is voted. You can change your proxy by delivering a later dated proxy using any of the methods listed above. You can revoke your proxy by delivering written notice of revocation to The Continental Stock Transfer & Trust Company at the address set forth in The Mariner Special Meeting Manner of Voting. You also can attend the meeting, withdraw your proxy and vote your shares personally. Your attendance at the meeting will not constitute automatic revocation of your proxy. If your shares are held in the name of a broker, bank or other nominee and you have directed the record holder to vote your shares, you should instruct the record holder to change your vote or obtain a proxy from the broker, bank or other nominee to do so yourself.

Q: What should I do if I receive more than one set of voting materials for the special meeting?

A: You may receive more than one set of voting materials for the special meeting, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold your shares of Mariner common stock in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares of Mariner common stock. If you are a holder of record and your shares of Mariner common stock are registered in more than one name, you will receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive.

Q: Who can answer my questions?

A: Mariner stockholders should call Morrow & Co., LLC, Mariner's proxy solicitor, toll-free at (800) 278-2141 (banks and brokers call collect at (203) 658-9400) with any questions about the merger or the special meeting, or to obtain additional copies of this proxy statement/prospectus, proxy cards or voting instruction forms.

Table of Contents

SUMMARY

*The following is a summary that highlights information contained in this proxy statement/prospectus. This summary may not contain all of the information that is important to you. For a more complete description of the merger agreement and the transactions contemplated by the merger agreement, you are encouraged to read carefully this entire proxy statement/prospectus, including the attached Annexes. In addition, you are encouraged to read the information incorporated by reference into this proxy statement/prospectus, which includes important business and financial information about Apache and Mariner that has been filed with the SEC. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions in the section entitled *Where You Can Find More Information; Incorporation by Reference*.*

The Companies (See page [])

Apache Corporation

Apache, a Delaware corporation formed in 1954, is an independent energy company that explores for, develops and produces natural gas, crude oil and natural gas liquids. In North America, Apache's exploration and production interests are focused in the Gulf of Mexico, the Gulf Coast, East Texas, the Permian Basin, the Anadarko Basin and the Western Sedimentary Basin of Canada. Outside of North America, Apache has exploration and production interests onshore Egypt, offshore Western Australia, offshore the United Kingdom in the North Sea (North Sea), and onshore Argentina. Apache also has exploration interests on the Chilean side of the island of Tierra del Fuego.

Apache's common stock is listed on the NYSE, the Chicago Stock Exchange, and the NASDAQ National Market and trades under the symbol **APA**.

Apache's principal executive offices are located at One Post Oak Central, 2000 Post Oak Boulevard, Suite 100, Houston, Texas 77056, its telephone number is (713) 296-6000 and its website is www.apachecorp.com.

Mariner Energy, Inc.

Mariner, a Delaware corporation formed in 1983, is an independent oil and gas exploration, development, and production company headquartered in Houston, Texas, with principal operations in the Permian Basin, Gulf Coast and the Gulf of Mexico.

Mariner's common stock is listed on the NYSE and trades under the symbol **ME**.

Mariner's principal executive offices are located at One BriarLake Plaza, 2000 West Sam Houston Parkway South, Suite 2000, Houston, Texas 77042, its telephone number is (713) 954-5500 and its website is www.mariner-energy.com.

ZMZ Acquisitions LLC

ZMZ Acquisitions LLC, which is sometimes referred to as Merger Sub, is a Delaware limited liability company and a wholly owned subsidiary of Apache. Merger Sub was formed solely for the purpose of entering into the merger agreement. Merger Sub has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the merger.

Merger Sub's principal executive offices are located at One Post Oak Central, 2000 Post Oak Boulevard, Suite 100, Houston, Texas 77056 and its telephone number is (713) 296-6000.

The Merger (See page [])

Apache, Merger Sub and Mariner have entered into the merger agreement. Subject to the terms and conditions of the merger agreement and in accordance with Delaware law, Mariner will be merged with and

Table of Contents

into Merger Sub, with Merger Sub continuing as the surviving entity. Upon completion of the merger, Mariner will cease to exist and Mariner common stock will no longer be outstanding or publicly traded.

Under the merger agreement, Mariner stockholders may elect to receive consideration consisting of cash, shares of Apache common stock or a combination of both in exchange for their shares of Mariner common stock, subject to a proration feature. Mariner stockholders electing to receive a mix of cash and stock consideration and non-electing stockholders will receive \$7.80 in cash and 0.17043 shares of Apache common stock in exchange for each share of Mariner common stock. Subject to proration, Mariner stockholders electing to receive all cash will receive \$26.00 in cash per Mariner share and Mariner stockholders electing to receive only Apache common stock will receive 0.24347 shares of Apache common stock in exchange for each share of Mariner common stock.

The aggregate cash consideration to be received by Mariner stockholders pursuant to the merger will be fixed at an amount equal to the product of \$7.80 and the number of shares of Mariner common stock outstanding immediately prior to the closing of the merger less 714,887 shares of outstanding unvested restricted stock that will be cancelled upon the merger. Such cash amount is expected to be approximately \$800 million. Similarly, the aggregate number of shares of Apache common stock to be received by Mariner stockholders pursuant to the merger will be fixed at a number equal to the product of 0.17043 and the number of shares of Mariner common stock outstanding immediately prior to the closing of the merger less 714,887 shares of outstanding unvested restricted stock that will be cancelled upon the merger. Such number is expected to be approximately 17.5 million shares of Apache common stock. Accordingly, if Mariner stockholders elect, in the aggregate, to receive cash in an amount greater than the aggregate cash consideration payable under the merger agreement, then those holders electing to receive all cash consideration will be prorated down and will receive Apache stock as a portion of the overall consideration they receive for their shares. On the other hand, if Mariner stockholders elect, in the aggregate, to receive stock in an amount greater than the aggregate number of shares issuable under the merger agreement, then those holders electing to receive all stock consideration will be prorated down and will receive cash as a portion of the overall consideration they receive for their shares. As a result, Mariner stockholders that make a valid election to receive all cash or all stock consideration may not receive merger consideration entirely in the form elected.

The share exchange ratios in the merger agreement are fixed and will not change between now and the completion of the merger, regardless of whether the market price of either Apache or Mariner common stock changes. The market price of Apache common stock will fluctuate prior to the merger, and the market price of Apache common stock received by Mariner stockholders after completion of the merger could be greater or less than the current market price of Apache common stock and the price of Apache common stock at the election deadline. In addition, at the time of the completion of the merger, the values of the three forms of merger consideration that Mariner stockholders will have the right to receive (which are (i) 0.24347 shares of Apache common stock per Mariner share, subject to proration, (ii) \$26.00 in cash per Mariner share, subject to proration, or (iii) a combination of \$7.80 in cash and 0.17043 shares of Apache common stock per Mariner share) may not be equal due to fluctuations in the market price of Apache common stock. See [Risk Factors](#) [Risks Relating to the Merger](#) As a result of the consideration election and proration provisions of the merger agreement, and because the market price of Apache common stock will fluctuate, Mariner stockholders cannot be sure of the aggregate value of the merger consideration that they will receive.

Apache will not issue any fractional shares of its common stock in connection with the merger. For each fractional share that would otherwise be issued, Apache will pay cash (without interest) in an amount equal to the product of the fractional share and the average of the closing price of Apache common stock on the NYSE, as reported in *The Wall Street Journal*, for the five consecutive trading days ending on the calendar day immediately prior to the closing date of the merger.

The merger agreement is attached as Annex A to this proxy statement/prospectus and is incorporated herein by reference. **You should read the merger agreement in its entirety because it is the legal document that governs the merger.**

Table of Contents

Election Procedures (See page [])

Mariner stockholders of record as of the close of business on the record date for the special meeting will receive (together with this proxy statement/prospectus or in a separate mailing) an election form that will allow each Mariner stockholder to specify the number of Mariner shares with respect to which such holder elects to receive: (i) the stock consideration, (ii) the cash consideration or (iii) the mixed consideration. You must complete properly and deliver to the exchange agent your election form along with your stock certificates, if any, (or a properly completed notice of guaranteed delivery). **Do not send your stock certificates or election form with your proxy card.**

Election forms and stock certificates (or a properly completed notice of guaranteed delivery) must be received by the exchange agent by the election deadline, which is 5:00 p.m., New York time, on [], 2010. Once you tender your stock certificates, if any, to the exchange agent, you may not transfer your shares of Mariner common stock until the merger is completed, unless you revoke your election by a written notice to the exchange agent that is received prior to the election deadline.

If you fail to submit a properly completed election form prior to the election deadline, you will be deemed not to have made an election. As a holder making no election, you will receive the mixed consideration in the merger.

If you own shares of Mariner common stock in street name through a bank, broker or other nominee and you wish to make an election, you should seek instructions from the bank, broker or other nominee holding your shares concerning how to make your election.

Treatment of Equity Awards (See page [])

Upon completion of the merger, each outstanding option to purchase Mariner common stock will be converted into a fully exercisable option to purchase the number of shares of Apache common stock obtained by multiplying the number of Mariner shares subject to the option by the 0.24347 exchange ratio, with a per share exercise price equal to the existing per-Mariner-share exercise price divided by the 0.24347 exchange ratio. All outstanding options to acquire Mariner common stock were fully vested and exercisable by December 31, 2008.

In addition, upon completion of the merger, each outstanding share of Mariner restricted stock (other than Performance-Based Restricted Stock) will vest and will entitle the holder to the merger consideration in respect of each such vested share. Forty percent of each outstanding award of Performance-Based Restricted Stock held by Mariner's employees will vest and will entitle the holder to the merger consideration in respect of each such vested share and the remaining portion will be cancelled. Partial vesting of outstanding Performance-Based Restricted Stock awards occurs solely as a result of the terms of the merger agreement; otherwise, under the terms of Mariner's 2008 Long-Term Performance-Based Restricted Stock Program, 100% of outstanding Performance-Based Restricted Stock would be forfeited.

Recommendation of the Mariner Board of Directors and its Reasons for the Merger (See page [])

The Mariner board of directors unanimously determined that the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of Mariner and its stockholders, and approved and adopted the merger agreement and the transactions contemplated thereby. **The Mariner board unanimously recommends that Mariner stockholders vote FOR the proposals to approve and adopt the merger agreement and to approve any adjournment of the special meeting if necessary or appropriate to solicit additional proxies.** See The Merger Recommendation of the Mariner Board of Directors and Its Reasons for the Merger.

As described under the heading "The Merger" Interests of the Mariner Directors and Executive Officers in the Merger, Mariner's directors and executive officers will receive financial benefits that may be different from, or in addition to, those of Mariner stockholders in the merger.

Table of Contents

Opinion of Mariner's Financial Advisor (See page [])

On April 14, 2010, Credit Suisse Securities (USA) LLC, which we refer to as Credit Suisse, rendered its oral opinion to Mariner's board of directors (which was subsequently confirmed in writing by delivery of Credit Suisse's written opinion dated the same date) to the effect that, as of April 14, 2010, the merger consideration to be received by the holders of Mariner common stock in the merger was fair, from a financial point of view, to such holders.

Credit Suisse's opinion was directed to Mariner's board of directors and only addressed the fairness to the holders of Mariner common stock, from a financial point of view, of the merger consideration to be received by such holders in the merger, and did not address any other aspect or implication of the merger. The summary of Credit Suisse's opinion in this proxy statement/prospectus is qualified in its entirety by reference to the full text of its written opinion, which is included as Annex B to this proxy statement/prospectus and sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Credit Suisse in preparing its opinion. However, neither Credit Suisse's written opinion nor the summary of its opinion and the related analyses set forth in this proxy statement/prospectus are intended to be, and do not constitute advice or a recommendation to any holder of Mariner common stock as to how such stockholder should act or vote with respect to any matter relating to the merger. See The Merger Opinion of Mariner's Financial Advisor.

Directors and Executive Officers of Apache After the Merger (See page [])

The directors and executive officers of Apache prior to the merger will continue as the directors and executive officers of Apache after the merger.

Mariner Stockholder Meeting; Stockholders Entitled to Vote; Vote Required (See page [])

The special meeting of the stockholders of Mariner will be for the following purposes:

to consider and vote on the proposal to approve and adopt the merger agreement, as it may be amended from time to time;

to consider and vote on any proposal to adjourn the special meeting to a later date or dates if necessary to solicit additional proxies if there are insufficient votes to approve and adopt the merger agreement at the time of the special meeting; and

to transact any other business that may properly come before the special meeting or any adjournment or postponement of the special meeting.

All holders of Mariner common stock who held shares at the close of business on the record date for the special meeting ([], 2010) are entitled to receive notice of and to vote at the special meeting, or any postponement or adjournment thereof, provided that such shares remain outstanding on the date of the special meeting. As of the close of business on the record date, there were [] shares of Mariner common stock outstanding and entitled to vote at the special meeting. Each share of Mariner common stock is entitled to one vote at the Mariner special meeting.

The presence in person or by proxy of the holders of a majority of the outstanding shares of Mariner common stock is necessary to constitute a quorum at the special meeting. The affirmative vote of the holders of a majority of the outstanding shares of Mariner common stock entitled to vote on the proposal as of the Mariner record date, either in

person or represented by proxy, is necessary for the approval and adoption of the merger agreement. Approval of any proposal to adjourn the special meeting if necessary to solicit additional proxies requires the affirmative vote of the holders of a majority of the shares of Mariner common stock present in person or represented by proxy at the special meeting and entitled to vote thereat.

If a Mariner stockholder fails to vote, or if a Mariner stockholder abstains, that will have the same effect as votes cast **AGAINST** the approval and adoption of the merger agreement. Abstentions and broker non-

Table of Contents

votes will have the same effect as votes cast **AGAINST** approval of any proposal to adjourn the special meeting if necessary to solicit additional proxies.

Apache Stockholder Approval is Not Required (See page [])

Apache stockholders are not required to adopt the merger agreement or approve the merger or the issuance of shares of Apache common stock in connection with the merger.

Ownership of Apache After the Merger (See page [])

Apache will issue approximately 17.5 million shares of Apache common stock to former Mariner stockholders pursuant to the merger. Immediately following the completion of the merger, Apache expects to have approximately 354.8 million shares of common stock outstanding. Mariner stockholders are therefore expected to hold approximately 5% of the combined company's common stock outstanding immediately after the merger. Consequently, Mariner stockholders, as a general matter, will have less influence over the management and policies of Apache than they currently exercise over the management and policies of Mariner.

Share Ownership of Directors and Executive Officers of Mariner (See page [])

At the close of business on the record date for the special meeting ([], 2010), the directors and executive officers of Mariner and their affiliates beneficially owned and were entitled to vote [] shares of Mariner common stock, collectively representing approximately []% of the shares of Mariner common stock outstanding and entitled to vote on the record date. It is expected that Mariner's directors and executive officers will vote their shares **FOR** the approval and adoption of the merger agreement, although none of them has entered into any agreement requiring them to do so.

Interests of the Mariner Directors and Executive Officers in the Merger (See page [])

In considering the recommendation of Mariner's board of directors with respect to the merger, Mariner stockholders should be aware that the executive officers and directors of Mariner have certain interests in the merger that may be different from, or in addition to, the interests of Mariner stockholders. Mariner's board of directors was aware of these interests and considered them, among other matters, when adopting a resolution to approve the merger agreement and recommending that Mariner stockholders vote to approve and adopt the merger agreement.

Risks Relating to the Merger (See page [])

You should be aware of and carefully consider the risks relating to the merger described under Risk Factors. These risks include possible difficulties in combining the two companies, which have previously operated independently.

Material U.S. Federal Income Tax Consequences of the Merger (See page [])

Apache and Mariner each expect the merger to qualify as a reorganization that is tax free pursuant to Section 368(a) of the Internal Revenue Code to the extent Mariner stockholders receive stock pursuant to the merger.

Please review carefully the information under the caption The Merger Material U.S. Federal Income Tax Consequences of the Merger for a description of the material U.S. federal income tax consequences of the merger. The tax consequences to you will depend on your own situation. Please consult your tax advisors for a full understanding of the tax consequences of the merger to you.

Accounting Treatment (See page [])

Apache will account for the merger using the acquisition method of accounting under U.S. generally accepted accounting principles, which are referred to as GAAP. The merger will be accounted for as a single

Table of Contents

line of business. Apache will record net tangible and identifiable intangible assets acquired and liabilities assumed from Mariner at their respective fair values at the date of the completion of the merger. Any excess of the purchase price, which will equal the cash consideration plus the market value, at the date of completion of the merger, of the Apache common stock issued as consideration for the merger, over the net fair value of such assets and liabilities will be recorded as goodwill.

Listing of Shares of Apache Common Stock; Delisting and Deregistration of Mariner Common Stock (See page [])

Approval of the listing on the NYSE of the shares of Apache common stock issuable pursuant to the merger agreement, subject to official notice of issuance, is a condition to each party's obligation to complete the merger. If the merger is completed, shares of Mariner common stock will be delisted from the NYSE and deregistered under the Exchange Act. In addition to listing the shares of Apache common stock issuable pursuant to the merger agreement on the NYSE, Apache intends to list the shares issuable pursuant to the merger agreement on the NASDAQ National Market and the Chicago Stock Exchange.

Appraisal Rights in the Merger (See page [])

If the merger is approved and adopted by the Mariner stockholders, Mariner stockholders who do not vote in favor of the approval and adoption of the merger agreement and who properly demand appraisal of their shares will be entitled to appraisal rights in connection with the merger under Section 262 of the DGCL. Mariner stockholders who wish to seek appraisal of their shares are in any case urged to seek the advice of counsel with respect to the exercise of appraisal rights.

Stockholders considering seeking appraisal should be aware that the fair value of their shares as determined pursuant to Section 262 of the DGCL could be more than, the same as or less than the value of the consideration they would receive pursuant to the merger if they did not seek appraisal of their shares.

The DGCL requirements for exercising appraisal rights are described in further detail in this proxy statement/prospectus, and the relevant section of the DGCL regarding appraisal rights is reproduced and attached as Annex C.

Conditions to the Merger (See page [])

The following conditions must be satisfied or waived, where legally permissible, before the proposed merger can be consummated:

the approval and adoption of the merger agreement by the requisite affirmative vote of Mariner's stockholders;

the expiration or termination of the waiting period (and any extension of the waiting period) applicable to the merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which is referred to in this proxy statement/prospectus as the HSR Act;

the effectiveness of the Form S-4 registration statement, of which this proxy statement/prospectus is a part, and the absence of a stop order suspending the effectiveness of the Form S-4 or proceedings for such purpose having been initiated or threatened by the SEC;

the approval for listing on the NYSE of the shares of Apache common stock issuable to the Mariner stockholders pursuant to the merger agreement, subject to official notice of issuance;

the absence of any statute, rule or regulation prohibiting the merger, or any order or injunction of a court of competent jurisdiction preventing the consummation of the merger;

the receipt by each of Mariner and Apache of an opinion from its outside counsel to the effect that for federal income tax purposes the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code and that each of Apache and Mariner will be a party to such reorganization within the meaning of Section 368(b) of the Internal Revenue Code;

Table of Contents

the accuracy of the representations and warranties of Apache, Merger Sub and Mariner in the merger agreement, subject to certain materiality thresholds;

the performance in all material respects by each of Apache and Merger Sub, on the one hand, and Mariner, on the other hand, of its respective covenants required to be performed by it under the merger agreement at or prior to the closing date;

receipt of certificates by executive officers of each of Apache and Merger Sub, on the one hand, and Mariner, on the other hand, to the effect that the conditions described in the preceding two bullet points have been satisfied;

there not having occurred a material adverse effect on either party since the date of the merger agreement, the effects of which are continuing; and

the number of Mariner shares for which appraisal rights are properly exercised does not exceed 50% of the Mariner shares outstanding immediately prior to the merger.

On May 3, 2010, the Antitrust Division and the FTC granted early termination of the statutory waiting period under the HSR Act. Apache and Mariner cannot be certain when, or if, the other conditions to the merger will be satisfied or waived, or that the merger will be completed.

Regulatory Approvals Required for the Merger (See page [])

The merger is subject to review by the Antitrust Division of the U.S. Department of Justice, which is referred to as the Antitrust Division, and the Federal Trade Commission, which is referred to as the FTC, under the HSR Act. Under the HSR Act, Apache and Mariner are required to make premerger notification filings and to await the expiration or early termination of the statutory waiting period (and any extension of the waiting period) prior to completing the merger. Apache and Mariner each filed its required HSR notification and report form with respect to the merger on April 26, 2010, commencing the initial 30-day waiting period. On May 3, 2010, the Antitrust Division and the FTC granted early termination of the statutory waiting period under the HSR Act.

No Solicitation and Change in Recommendation (See page [])

Under the merger agreement, Mariner has agreed not to (and has agreed to cause its officers, directors, employees, agents and representatives not to), among other things, (i) initiate, solicit or knowingly encourage or knowingly facilitate any acquisition proposal, (ii) have any discussion with or provide or cause to be provided any non-public information to any person relating to an acquisition proposal, or engage or participate in any negotiations concerning an acquisition proposal, (iii) approve, endorse or recommend any acquisition proposal or (iv) approve, endorse or recommend, or enter into an agreement to do any of the foregoing with respect to an acquisition proposal. Mariner may, however, prior to the approval and adoption of the merger agreement by its stockholders, communicate with third parties that make unsolicited acquisition proposals if its board concludes in good faith, after consultation with its financial advisors and outside legal counsel, that the acquisition proposal constitutes or is reasonably likely to lead to a transaction more favorable to its stockholders. Additionally, prior to the approval and adoption of the merger agreement by Mariner stockholders, Mariner's board of directors may under certain circumstances withdraw its recommendation that its stockholders adopt the merger agreement if it concludes in good faith, after consultation with its financial advisors and outside legal counsel, that withdrawal of its recommendation is necessary to comply with its fiduciary duties.

Termination of the Merger Agreement (See page [])

In general, the merger agreement may be terminated at any time prior to the effective time of the merger in the following ways:

by mutual written consent of Apache, Merger Sub and Mariner;

Table of Contents

by either Apache or Mariner if:

the merger is not consummated on or before January 31, 2011, referred to as the outside date, provided that the terminating party has not materially breached the merger agreement in a manner that proximately caused the failure to consummate the merger on or prior to the outside date;

a court or other governmental authority issues a final, non-appealable order prohibiting the merger; or

the Mariner stockholders do not approve and adopt the merger agreement at the special meeting or any adjournment or postponement thereof.

by Apache if:

Mariner is in material breach of the merger agreement such that certain conditions set forth in the merger agreement are not capable of being satisfied and such breach is not cured prior to the earlier of 30 days after notice of such breach to Mariner and the outside date; provided that Apache is not permitted to so terminate the merger agreement if Apache or Merger Sub is then in breach of the merger agreement in any material respect; or

prior to the approval and adoption of the merger agreement by Mariner's stockholders, Mariner's board of directors changes its recommendation to vote for approval and adoption of the merger agreement.

by Mariner if:

Apache or Merger Sub is in material breach of the merger agreement such that certain conditions set forth in the merger agreement are not capable of being satisfied and such breach is not cured prior to the earlier of 30 days after notice of such breach to Apache and the outside date; provided that Mariner is not permitted to so terminate the merger agreement if it is then in breach of the merger agreement in any material respect; or

prior to the approval and adoption of the merger agreement by Mariner's stockholders, Mariner's board of directors changes its recommendation to vote for approval and adoption of the merger agreement in order to accept a superior proposal, authorizes Mariner to enter into a definitive agreement with respect to the superior proposal and Mariner pays the termination fee (described below) to Apache.

Termination Fee (See page [])

Under the merger agreement, Mariner may be required to pay to Apache a termination fee of \$67 million (less any Apache expenses previously reimbursed by Mariner) if the merger agreement is terminated under certain circumstances. In addition, the merger agreement requires each of Apache and Mariner to reimburse the other's expenses, up to \$7.5 million, in certain circumstances when the merger agreement is terminated.

Source of Funding for the Merger (See page [])

Apache's obligation to complete the merger is not conditioned upon its obtaining financing. As of March 31, 2010, Apache had \$2.1 billion in cash. Apache expects to fund the cash portion of the merger consideration payable to Mariner stockholders, which is expected to equal approximately \$800 million as of May 10, 2010, with existing cash balances and commercial paper.

Comparison of Rights of Apache Stockholders and Mariner Stockholders (See page [])

As a result of the merger, the holders of Mariner common stock that receive shares of Apache common stock will become stockholders of Apache. Following the merger, these Mariner stockholders will have different rights as stockholders of Apache than as stockholders of Mariner due to the different provisions of the governing documents of Mariner and Apache.

Table of Contents

These differences are described in more detail under [Comparison of Rights of Apache Stockholders and Mariner Stockholders](#).

Litigation Relating to the Merger (See page [])

In connection with the merger, two stockholder lawsuits styled as class actions have been filed against Mariner and its board of directors. The lawsuits are captioned *City of Livonia Employees' Retirement System, Individually and on Behalf of All Others Similarly Situated vs. Mariner Energy, Inc, et al.* (filed April 16, 2010 in the District Court of Harris County, Texas), and *Southeastern Pennsylvania Transportation Authority, individually, and on behalf of all those similarly situated, vs. Scott D. Josey, et. al.* (filed April 21, 2010 in the Court of Chancery in the State of Delaware). The plaintiff in the Southeastern Pennsylvania Transportation Authority lawsuit filed an Amended Class Action Complaint on May 3, 2010, and also names Apache, Merger Sub and certain Mariner officers as defendants. The lawsuits generally allege that (1) Mariner's directors breached their fiduciary duties in negotiating and approving the merger and by administering a sale process that failed to maximize stockholder value and (2) Mariner, and in the case of the Southeastern Pennsylvania Transportation Authority complaint, Apache and Merger Sub, aided and abetted Mariner's directors in breaching their fiduciary duties. The lawsuits also allege that Mariner's directors and executives stand to receive substantial financial benefits if the transaction is consummated on its current terms. The plaintiffs in these lawsuits seek, among other things, to enjoin the merger and to rescind the merger agreement. Apache and Mariner believe that these lawsuits are without merit and intend to vigorously defend these lawsuits.

Table of Contents**SELECTED HISTORICAL FINANCIAL, OPERATING AND RESERVE DATA OF APACHE**

The following table presents selected historical consolidated financial, operating and reserve data of Apache. The financial data as of, and for the years ended, December 31, 2009, 2008, 2007, 2006 and 2005 are derived from Apache's audited consolidated financial statements for those periods. The financial data as of, and for the quarterly periods ended, March 31, 2010 and 2009 are derived from Apache's unaudited consolidated financial statements for those periods. Apache's management believes that the company's interim unaudited financial statements have been prepared on a basis consistent with its audited financial statements and include all normal and recurring adjustments necessary for a fair presentation of the results for each interim period.

The information in the following table is only a summary and is not indicative of the results of future operations of Apache. You should read the following information together with Apache's Annual Report on Form 10-K for the year ended December 31, 2009, Apache's Quarterly Report on Form 10-Q for the three months ended March 31, 2010 and the other information that Apache has filed with the SEC and incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information; Incorporation by Reference."

Apache is not required to furnish pro forma financial information with respect to the merger in this proxy statement/prospectus because Mariner would not be a significant subsidiary under any of the financial conditions specified in Rule 1-02(w) of SEC Regulation S-X, substituting 20% for 10% in each of those conditions in accordance with Rule 11.01(b)(1) of SEC Regulation S-X.

	Three Months Ended		Year Ended December 31,				
	March 31,		2009	2008	2007	2006	2005
	2010	2009					
	(\$ in millions, except per share amounts)						
Financial Data							
Revenues and other	\$ 2,673	\$ 1,634	\$ 8,615	\$ 12,390	\$ 10,000	\$ 8,309	\$ 7,584
Income (loss) attributable to common stock(1)(2)	\$ 705	\$ (1,758)	\$ (292)	\$ 706	\$ 2,807	\$ 2,547	\$ 2,618
Net income (loss) per common share(1)(2)							
Basic	\$ 2.09	\$ (5.25)	\$ (0.87)	\$ 2.11	\$ 8.45	\$ 7.72	\$ 7.96
Diluted	\$ 2.08	\$ (5.25)	\$ (0.87)	\$ 2.09	\$ 8.39	\$ 7.64	\$ 7.84
Cash dividends declared per common share	\$ 0.15	\$ 0.15	\$ 0.60	\$ 0.70	\$ 0.60	\$ 0.50	\$ 0.36
Total assets	\$ 29,228	\$ 26,293	\$ 28,186	\$ 29,186	\$ 28,635	\$ 24,308	\$ 19,272
Total debt	\$ 5,064	\$ 4,912	\$ 5,068	\$ 4,922	\$ 4,227	\$ 3,822	\$ 2,192
Operating Data							
Average daily production:							

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Crude oil (MBbls)	289	267	279	254	249	225	234
Natural gas (MMcf)	1,712	1,624	1,759	1,618	1,796	1,589	1,264
Natural gas liquids (MBbls)	12	10	11	11	13	12	10
MBoe	586	548	583	535	561	502	455
Average realized price:							
Crude oil per Bbl	\$ 74.55	42.49	\$ 59.85	\$ 87.80	\$ 68.84	\$ 59.92	\$ 51.66
Natural gas per Mcf	\$ 4.60	3.84	\$ 3.69	\$ 6.70	\$ 5.34	\$ 5.17	\$ 6.35
Natural gas liquids per Bbl	\$ 45.45	21.29	\$ 27.63	\$ 51.38	\$ 42.78	\$ 37.70	\$ 32.13
Proved reserves:							
Crude oil & natural gas liquids (MBbls)	N/A	N/A	1,067,248	1,081,144	1,133,710	1,061,041	975,910
Natural gas (MMcf)	N/A	N/A	7,796,031	7,917,025	7,872,717	7,512,919	6,848,022
MBoe	N/A	N/A	2,366,586	2,400,648	2,445,829	2,313,194	2,117,248

Table of Contents

- (1) Loss attributable to common stock and net loss per common share for the three months ended March 31, 2009 and the year ended December 31, 2009 include a \$2.82 billion (\$1.98 billion net of tax) write-down of the carrying value of Apache's March 31, 2009 proved property balances in the U.S. and Canada.
- (2) Income attributable to common stock and net income per common share for the year ended December 31, 2008 include a \$5.3 billion (\$3.6 billion net of tax) write-down of the carrying value of Apache's December 31, 2008 proved property balances in the U.S., the U.K. North Sea, Canada and Argentina.

Table of Contents**SELECTED HISTORICAL FINANCIAL, OPERATING AND RESERVE DATA OF MARINER**

The following table presents selected historical consolidated financial, operating and reserve data of Mariner. The financial data as of, and for the years ended, December 31, 2009, 2008, 2007, 2006 and 2005 are derived from Mariner's audited consolidated financial statements for those periods. The financial data as of, and for the quarterly periods ended, March 31, 2010 and 2009 are derived from Mariner's unaudited condensed consolidated financial statements for those periods. Mariner's management believes that the company's interim unaudited financial statements have been prepared on a basis consistent with its audited financial statements and include all normal and recurring adjustments necessary for a fair presentation of the results for each interim period.

The reserve data set forth below includes information with respect to Mariner's estimated proved reserves based on estimates made in reserve reports prepared by Ryder Scott Company, L.P.

The information in the following table is only a summary and is not indicative of the results of future operations of Mariner. You should read the following information together with Mariner's Annual Report on Form 10-K for the year ended December 31, 2009, Mariner's Quarterly Report on Form 10-Q for the three months ended March 31, 2010 and the other information that Mariner has filed with the SEC and incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information; Incorporation by Reference."

	Three Months Ended March 31,		Year Ended December 31,				
	2010	2009	2009	2008	2007	2006	2005
	(\$ in millions, except per share amounts)						
Financial Data							
Total revenues(1)	\$ 243	\$ 243	\$ 943	\$ 1,301	\$ 875	\$ 660	\$ 200
Net income (loss) attributable to Mariner Energy, Inc.(2)(3)(4)	\$ 15	\$ (424)	\$ (319)	\$ (389)	\$ 144	\$ 121	\$ 40
Net income (loss) per common share:							
Basic	\$ 0.15	\$ (4.77)	\$ (3.34)	\$ (4.44)	\$ 1.68	\$ 1.59	\$ 1.24
Diluted	\$ 0.15	\$ (4.77)	\$ (3.34)	\$ (4.44)	\$ 1.67	\$ 1.58	\$ 1.20
Cash dividends declared per common share	\$	\$	\$	\$	\$	\$	\$
Total assets(5)	\$ 3,002	\$ 2,820	\$ 2,867	\$ 3,393	\$ 3,084	\$ 2,680	\$ 666
Total debt	\$ 1,222	\$ 1,240	\$ 1,195	\$ 1,170	\$ 779	\$ 654	\$ 156
Operating Data							
Average daily production:							
Crude oil (MBbls)	15	11	12	13	12	9	5
Natural gas (MMcf)	230	245	249	218	186	154	50
Natural gas liquids (MBbls)	6	3	4	4	3	2	

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MBoe	59	55	58	54	46	37	13
Average realized price:							
Crude oil per Bbl	\$ 72.31	\$ 62.81	\$ 70.59	\$ 86.02	\$ 67.50	\$ 62.63	\$ 41.23
Natural gas per Mcf	\$ 5.67	\$ 6.95	\$ 6.08	\$ 9.31	\$ 7.88	\$ 7.37	\$ 6.66
Natural gas liquids per Bbl	\$ 48.08	\$ 23.70	\$ 33.10	\$ 55.02	\$ 45.16	\$ 48.37	\$
Proved reserves:							
Crude oil & natural gas liquids (MBbls)	N/A	N/A	85,950	69,304	64,563	48,136	21,647
Natural gas (MMcf)	N/A	N/A	571,435	558,048	448,439	426,687	207,686
MBoe	N/A	N/A	181,189	162,312	139,303	119,251	56,261

Table of Contents

- (1) Total revenues for the year ended December 31, 2008 includes a \$16.6 million arbitration award related to a consummated acquisition. Total revenues for the year ended December 31, 2008 includes the release of \$46.5 million in suspended revenue related to a potential MMS royalty dispute.
- (2) Net loss attributable to Mariner Energy, Inc. and net loss per common share for the year ended December 31, 2009 include a \$754.3 million (\$486.5 million net of tax) write-down of the carrying value of Mariner's proved property balances and a \$107.3 million gain on the acquisition of the reorganized subsidiaries and operations of Edge Petroleum Corporation. The loss also included \$12.0 million recorded to lease operating expense for contingent OIL insurance premiums.
- (3) Net loss attributable to Mariner Energy, Inc. and net loss per common share for the three months ended March 31, 2009 include a \$704.7 million (\$454.6 million, net of tax) write-down of the carrying value of Mariner's proved property balances.
- (4) Net loss attributable to Mariner Energy, Inc. and net loss per common share for the year ended December 31, 2008 include a \$575.6 million (\$369.1 million, net of tax) write-down of the carrying value of Mariner's proved property balances, a \$295.6 million impairment of Mariner's goodwill and a \$15.3 million (\$9.8 million, net of tax) impairment of other property. The loss also included \$36.0 million recorded to lease operating expense for a contingent OIL insurance premium.
- (5) Total assets at December 31, 2009 include \$237.5 million from the acquisition of the reorganized subsidiaries and operations of Edge Petroleum Corporation.

Table of Contents

UNAUDITED COMPARATIVE PER SHARE INFORMATION

The following table sets forth selected historical and unaudited pro forma combined per share information of Apache and Mariner.

Pro Forma Combined Per Share Information of Apache. The unaudited pro forma combined per share information of Apache below gives effect to the merger under the acquisition method of accounting, as if the merger had been effective on January 1, 2009, in the case of net income per share and cash dividends per share data, and March 31, 2010, in the case of book value per share data, and assuming that 0.17043 of a share of Apache common stock had been issued in exchange for each outstanding share of Mariner common stock. The unaudited pro forma combined per share information of Apache is derived from the audited financial statements as of, and for the year ended, December 31, 2009 and the unaudited condensed consolidated financial statements as of, and for the three months ended, March 31, 2010 for Apache and Mariner.

The accounting for an acquisition of a business is based on the authoritative guidance for business combinations. Acquisition accounting requires, among other things, that most assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date. Acquisition accounting is dependent upon certain valuations of Mariner's assets and liabilities and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. Accordingly, the pro forma adjustments reflect the assets and liabilities of Mariner at their preliminary estimated fair values. Differences between these preliminary estimates and the final acquisition accounting will occur and these differences could have a material impact on the unaudited pro forma combined per share information set forth in the following table.

The unaudited pro forma combined per share information of Apache does not purport to represent the actual results of operations that Apache would have achieved had the companies been combined during these periods or to project the future results of operations that Apache may achieve after the merger.

Historical Per Share Information of Apache and Mariner. The historical per share information of each of Apache and Mariner below is derived from the audited financial statements as of, and for the year ended, December 31, 2009 and the unaudited condensed consolidated financial statements as of, and for the three months ended, March 31, 2010 for each such company.

Equivalent Pro Forma Combined Per Share Information. The unaudited equivalent pro forma combined per share amounts below are calculated by multiplying the unaudited pro forma combined per share amounts of Apache by the exchange ratio for the mixed consideration of 0.17043. This computation does not include the benefit to Mariner stockholders of the cash component of the transaction.

Generally. You should read the below information in conjunction with the selected historical financial information included elsewhere in this proxy statement/prospectus and the historical financial statements of Apache and Mariner and related notes that are incorporated into this proxy statement/prospectus by reference. See Selected Historical Financial, Operating and Reserve Data of Apache, Selected Historical Financial, Operating and Reserve Data of Mariner and Where You Can Find More Information; Incorporation By Reference.

Table of Contents

	Three Months Ended March 31, 2010	Year Ended December 31, 2009
Apache historical		
Net income (loss) per share basic	\$ 2.09	\$ (0.87)
Net income (loss) per share diluted	2.08	(0.87)
Cash dividends per common share	0.15	0.60
Book value per share at period end(2)	49.71	46.90
Apache pro forma combined		
Net income (loss) per share basic	\$ 2.02	\$ (1.72)
Net income (loss) per share diluted	2.00	(1.72)
Cash dividends per common share(1)	0.15	0.60
Book value per share at period end(2)	51.73	N/A
Mariner historical		
Net income (loss) per share basic	\$ 0.15	\$ (3.34)
Net income (loss) per share diluted	0.15	(3.34)
Cash dividends per common share		
Book value per share at period end(2)	9.13	8.67
Pro forma (equivalent)(3)		
Net income (loss) per share basic	\$ 0.34	\$ (0.29)
Net income (loss) per share diluted	0.34	(0.29)
Cash dividends per common share	0.03	0.10
Book value per share at period end(2)	8.82	N/A

- (1) Same as Apache's historical, since no change in dividend policy is expected as a result of the merger.
- (2) Historical book value per share is calculated by dividing stockholders' equity by the number of Apache or Mariner common shares outstanding at the end of the period. Pro forma book value per share is computed by dividing pro forma stockholders' equity by the pro forma number of Apache common shares outstanding at the end of the period. Book value per share is required to be presented on a pro forma basis only for the most recent balance sheet date - March 31, 2010.
- (3) Amounts are calculated by multiplying the Apache pro forma combined per share amounts by the exchange ratio of 0.17043.

Table of Contents**COMPARATIVE APACHE AND MARINER MARKET PRICE AND DIVIDEND DATA**

Apache common stock is listed on the NYSE, the Chicago Stock Exchange and the NASDAQ National Market under the symbol APA. Mariner common stock is listed on the NYSE under the symbol ME.

The following table presents closing prices per share of Apache common stock and Mariner common stock as reported on the NYSE as of April 14, 2010, the last full trading day before the public announcement of the execution of the merger agreement by Apache and Mariner, and as of [], 2010, the most recent practicable trading day prior to the date of this proxy statement/prospectus. This table also presents the implied value of the mixed consideration per share of Mariner common stock on each of the specified dates, as determined by multiplying the closing prices of shares of Apache common stock on those dates by 0.17043, plus \$7.80 in cash.

	Apache Common Stock	Mariner Common Stock	Equivalent per Share Value
April 14, 2010	\$ 108.06	\$ 18.09	\$ 26.22
[], 2010	\$ []	\$ []	\$ []

The market prices of shares of Apache common stock and Mariner common stock will fluctuate between the date of this proxy statement/prospectus and the completion of the merger, and thus no assurance can be given concerning the market prices of shares of Apache common stock or Mariner common stock before the completion of the merger or shares of Apache common stock after the completion of the merger. The market value of the merger consideration ultimately received by Mariner stockholders will depend on the closing price of Apache common stock on the day the merger is consummated. **Mariner stockholders are encouraged to obtain current market quotations for Apache common stock and Mariner common stock in deciding whether to vote for the approval and adoption of the merger agreement and in electing the form of consideration they wish to receive.** See Risk Factors Risks Relating to the Merger As a result of the consideration election and proration provisions of the merger agreement, and because the market price of Apache common stock will fluctuate, Mariner stockholders cannot be sure of the aggregate value of the merger consideration they will receive.

As of [], 2010, there were approximately [] record holders of Apache common stock and approximately [] record holders of Mariner common stock.

Historical Market Prices

The following table sets forth, for the calendar quarters indicated, the intra-day high and low sale prices per share of Apache common stock and per share of Mariner common stock as reported on the NYSE. The table also shows the amount of cash dividends declared per share of Apache common stock and Mariner common stock for the calendar quarters indicated.

	Apache Common Stock			Mariner Common Stock		
	High	Low	Cash Dividends Declared	High	Low	Cash Dividends Declared

**Fiscal Year Ended December 31,
2010:**

Second Quarter (through [], 2010)	\$ []	\$ []	\$ 0.15	\$ []	\$ []	\$
First Quarter	\$ 108.92	\$ 95.15	\$ 0.15	\$ 16.27	\$ 11.84	\$

**Fiscal Year Ended December 31,
2009:**

Fourth Quarter	\$ 106.46	\$ 88.06	\$ 0.15	\$ 16.66	\$ 11.35	\$
Third Quarter	\$ 95.77	\$ 65.02	\$ 0.15	\$ 15.41	\$ 9.65	\$
Second Quarter	\$ 87.04	\$ 61.60	\$ 0.15	\$ 15.74	\$ 7.48	\$
First Quarter	\$ 88.07	\$ 51.03	\$ 0.15	\$ 12.84	\$ 6.46	\$

Table of Contents

	Apache Common Stock			Mariner Common Stock		
	High	Low	Cash Dividends Declared	High	Low	Cash Dividends Declared
Fiscal Year Ended December 31, 2008:						
Fourth Quarter	\$ 103.17	\$ 57.11	\$ 0.15	\$ 20.46	\$ 6.86	\$
Third Quarter	\$ 145.00	\$ 94.82	\$ 0.15	\$ 37.25	\$ 19.20	\$
Second Quarter	\$ 149.23	\$ 117.65	\$ 0.15	\$ 37.38	\$ 26.60	\$
First Quarter(1)	\$ 122.34	\$ 84.52	\$ 0.25	\$ 30.06	\$ 22.80	\$
Fiscal Year Ended December 31, 2007:						
Fourth Quarter	\$ 109.32	\$ 87.44	\$ 0.15	\$ 25.00	\$ 19.78	\$
Third Quarter	\$ 91.25	\$ 72.61	\$ 0.15	\$ 25.43	\$ 17.82	\$
Second Quarter	\$ 87.82	\$ 70.53	\$ 0.15	\$ 25.87	\$ 19.20	\$
First Quarter	\$ 73.44	\$ 63.01	\$ 0.15	\$ 20.55	\$ 16.88	\$
Fiscal Year Ended December 31, 2006:						
Fourth Quarter	\$ 70.50	\$ 59.99	\$ 0.15	\$ 21.36	\$ 17.68	\$
Third Quarter	\$ 72.40	\$ 59.18	\$ 0.15	\$ 19.68	\$ 15.94	\$
Second Quarter	\$ 75.66	\$ 56.50	\$ 0.10	\$ 20.65	\$ 14.81	\$
First Quarter(2)	\$ 76.25	\$ 63.17	\$ 0.10	\$ 21.00	\$ 18.05	\$

(1) Apache's first quarter 2008 dividends declared included a special non-recurring cash dividend of 10 cents per common share declared and paid in the first quarter of 2008.

(2) Mariner common stock commenced regular way trading on March 3, 2006 on the NYSE.

Dividends

Apache has paid cash dividends on its common stock for 45 consecutive years through December 31, 2009. On February 22, 2010, Apache paid a dividend of \$0.15 per share on its common stock and will pay a dividend of \$0.15 per share on May 21, 2010. In addition, on May 6, 2010, Apache's board of directors declared a dividend of \$0.15 per share on Apache's common stock that will be paid on August 23, 2010 to stockholders of record on July 22, 2010. If (but only if) the merger is completed on or before July 22, 2010, former Mariner stockholders will be entitled to receive the August 23, 2010 \$0.15 dividend in respect of any Apache shares they receive in the merger. After the merger is completed, former Mariner stockholders will be entitled to receive any dividends declared by Apache's board of directors with a record date after the effective time of the merger on any shares of Apache common stock they receive pursuant to the merger. When and if declared by Apache's board of directors, future dividend payments will depend upon Apache's level of earnings, financial requirements and other relevant factors.

Mariner historically has retained its earnings for the development of its business, and accordingly has not paid dividends since it commenced regular way trading on March 3, 2006 on the NYSE. Mariner's existing bank credit facility and indentures governing its senior unsecured notes contain certain covenants that restrict Mariner's ability to pay dividends.

Table of Contents

RISK FACTORS

In addition to the other information contained or incorporated by reference into this proxy statement/prospectus, including the matters addressed in Cautionary Statement Concerning Forward-Looking Statements, you should carefully consider the following risk factors in determining whether to vote for the approval and adoption of the merger agreement. You should also read and consider the risk factors associated with each of the businesses of Apache and Mariner because these risk factors may affect the operations and financial results of the combined company. These risk factors may be found under Part I, Item 1A, Risk Factors in each company's Annual Report on Form 10-K for the year ended December 31, 2009 and Part II, Item 1A Risk Factors in each company's Form 10-Q for the quarter ended March 31, 2010, each of which is on file with the SEC and all of which are incorporated by reference into this proxy statement/prospectus.

Risks Relating to the Merger

Mariner stockholders electing to receive only cash or only Apache common stock may, as the result of proration, receive a form or combination of consideration different from the form they elect.

While each Mariner stockholder may elect to receive consideration consisting of all cash, all shares of Apache common stock or a combination of both in exchange for their shares of Mariner common stock, the aggregate cash consideration to be received by Mariner stockholders pursuant to the merger will be fixed at an amount equal to the product of \$7.80 and the number of shares of Mariner common stock outstanding immediately prior to the closing of the merger less 714,887 shares of outstanding unvested restricted stock that will be cancelled upon the merger. Such cash amount is expected to be approximately \$800 million. Similarly, the aggregate number of shares of Apache common stock to be received by Mariner stockholders pursuant to the merger will be fixed at a number equal to the product of 0.17043 and the number of shares of Mariner common stock outstanding immediately prior to closing of the merger less 714,887 shares of outstanding unvested restricted stock that will be cancelled upon the merger, which number is expected to be approximately 17.5 million shares of Apache common stock. Accordingly, if Mariner stockholders elect, in the aggregate, to receive cash in an amount greater than the aggregate cash consideration payable under the merger agreement, then those holders electing to receive all cash consideration will be prorated down and will receive Apache common stock as a portion of the overall consideration they receive for their shares. On the other hand, if Mariner stockholders elect, in the aggregate, to receive stock in an amount greater than the aggregate number of shares issuable under the merger agreement, then those holders electing to receive all stock consideration will be prorated down and will receive cash as a portion of the overall consideration they receive for their shares. As a result, Mariner stockholders that make a valid election to receive all cash or all stock consideration may not receive merger consideration entirely in the form elected.

As a result of the consideration election and proration provisions of the merger agreement, and because the market price of Apache common stock will fluctuate, Mariner stockholders cannot be sure of the aggregate value of the merger consideration they will receive.

The total number of shares of Apache common stock that will be issued to Mariner stockholders pursuant to the merger is fixed. Accordingly, the value of the merger consideration payable in Apache common stock will depend on the trading price of Apache common stock for those Mariner stockholders electing or, through the proration mechanism contained in the merger agreement, becoming entitled to receive Apache common stock pursuant to the merger. This means that there is no price protection mechanism contained in the merger agreement that would adjust the number of Apache shares that Mariner stockholders will receive based on any increases or decreases in the trading price of Apache common stock prior to the closing of the merger. If Apache's stock price decreases, the market value

of the consideration to be received will also decrease for those Mariner stockholders electing or, through the proration mechanism, becoming entitled to receive Apache common stock. If Apache's stock price increases, the market value of the consideration to be received will likewise increase for those Mariner stockholders electing or becoming entitled to receive Apache common stock. The value of the merger consideration you receive in Apache common shares, if any, will vary from the date of the announcement of the merger agreement, the date that this proxy statement/prospectus was mailed to Mariner stockholders, the election deadline, the date of the Mariner special meeting and the date the merger

Table of Contents

is completed and thereafter. Accordingly, at the election deadline and at the time of the Mariner special meeting, you will not know or be able to determine the value of the Apache common stock you will receive upon completion of the merger. Stock price changes may result from a variety of factors, including, among others, general market and economic conditions, changes in oil and natural gas prices, changes in Apache's and Mariner's respective businesses, operations and prospects, regulatory considerations, market assessments of the likelihood that the merger will be completed and the timing of the merger. Many of these factors are beyond Apache's and Mariner's control.

If you tender shares of Mariner common stock to make an election, you will not be able to sell those shares unless you revoke your election prior to the election deadline.

If you are a Mariner stockholder and want to make a mixed, cash or stock consideration election under the merger agreement, you must deliver your stock certificates, if any (or follow the procedures for guaranteed delivery), and a properly completed and signed election form to the exchange agent. The deadline for doing this is 5:00 p.m., New York time, on [], 2010. You will not be able to sell any shares of Mariner common stock that you have delivered under this arrangement unless you revoke your election before the deadline by providing written notice to the exchange agent. If you do not revoke your election, you will not be able to liquidate your investment in Mariner common stock for any reason until you receive cash and/or Apache common stock pursuant to the merger. In the time between delivery of your shares and the closing of the merger, the market price of Mariner or Apache common stock may increase or decrease and you might otherwise want to sell your shares of Mariner to gain access to cash, make other investments or reduce the potential for a decrease in the value of your investment.

The date that Mariner stockholders will receive their merger consideration is uncertain.

The completion of the merger is subject to the stockholder and governmental approvals described in this proxy statement/prospectus and the satisfaction or waiver of certain other conditions. While we currently expect to complete the merger promptly following the Mariner special meeting of stockholders (assuming the merger is approved and adopted at the meeting), the completion date might be later than expected due to delays in satisfying such conditions. Accordingly, we cannot provide Mariner stockholders with a definitive date on which they will receive the merger consideration.

Mariner stockholders will have a significantly reduced ownership and voting interest after the merger and will exercise less influence over management.

Immediately after the completion of the merger, it is expected that former Mariner stockholders, who collectively own 100% of Mariner, will own approximately 5% of Apache, based on the number of shares of Mariner and Apache common stock outstanding as of May 10, 2010. Consequently, Mariner stockholders will have less influence over the management and policies of Apache than they currently have over the management and policies of Mariner.

The market price of Apache common stock after the merger may be affected by factors different from those affecting shares of Mariner common stock currently.

Holders of Mariner common stock may receive Apache common stock in the merger. The business of Apache differs from that of Mariner in important respects and, accordingly, the results of operations of Apache after the merger, as well as the market price of its common stock, may be affected by factors different from those currently affecting the results of operations of Mariner as an independent company and the price of Mariner common stock. For further information on the businesses of Apache and Mariner and certain factors to consider in connection with those businesses, including risk factors associated with their businesses, see Apache's Annual Report on Form 10-K for the fiscal year ended December 31, 2009 and its Form 10-Q for the quarter ended March 31, 2010 and Mariner's Annual Report on Form 10-K for the fiscal year ended December 31, 2009 and its Form 10-Q for the quarter ended March 31,

2010, which are incorporated by reference into this proxy statement/prospectus. See also the other documents incorporated by reference into

Table of Contents

this proxy statement/prospectus under the caption "Where You Can Find More Information; Incorporation by Reference.

Mariner's directors and executive officers have interests in the merger that may be different from, and in addition to, the interests of other Mariner stockholders.

When considering the recommendation of Mariner's board of directors that Mariner stockholders vote in favor of the approval and adoption of the merger agreement, you should be aware that the executive officers and directors of Mariner are parties to agreements or participants in other arrangements that provide them with interests in the merger that are different from, or in addition to, your interests as a stockholder of Mariner. These different interests could create conflicts of interest in their determinations to recommend the merger. In particular, the executive officers of Mariner hold unvested shares of Mariner restricted stock (including Performance-Based Restricted Stock) that will vest pursuant to the terms of the merger agreement and are parties to employment agreements, which will survive the merger, that provide for severance and change of control benefits. The completion of the merger will be considered a change of control under these agreements. In addition, the receipt of compensation and other benefits by certain Mariner's employees in connection with the merger may make it more difficult for Apache to retain their services after the merger, or require Apache to expend additional sums of money to do so.

Mariner's board of directors was aware of these interests and considered them, among other matters, when adopting a resolution to approve the merger agreement and recommending that Mariner stockholders vote to approve and adopt the merger agreement. You should consider these interests in voting on the merger. We have further described these different interests under "The Merger - Interests of the Mariner Directors and Executive Officers in the Merger."

The merger agreement contains provisions that limit Mariner's ability to pursue alternatives to the merger with Apache, could discourage a potential competing acquirer of Mariner from making a favorable alternative transaction proposal and, in certain circumstances, could require Mariner to pay a \$67 million termination fee to Apache.

Unless and until the merger agreement is terminated, subject to limited fiduciary exceptions (which are discussed in more detail in "The Merger Agreement - Certain Additional Agreements"), Mariner is restricted from initiating, soliciting, knowingly encouraging, knowingly facilitating, discussing or negotiating any inquiry, proposal or offer for a competing acquisition proposal with any person. Additionally, under the merger agreement, in the event of a potential change by the Mariner board of directors of its recommendation with respect to the merger, Mariner must provide Apache with three business days to propose an adjustment to the terms and conditions of the merger agreement. Mariner may terminate the merger agreement and enter into an agreement with respect to a superior proposal only if specified conditions have been satisfied, including compliance with the no solicitation provisions of the merger agreement. Additionally, Mariner may be required to pay to Apache a termination fee of \$67 million (less the amount of any of Apache's expenses reimbursed by Mariner pursuant to the merger agreement) if the merger agreement is terminated under certain circumstances. These provisions could discourage a third party that may have an interest in acquiring all or a significant part of Mariner from considering or proposing that acquisition, even if such third party were prepared to pay consideration with a higher per share cash or market value than that market value proposed to be received in the merger, or they could result in a potential competing acquirer proposing to pay a lower price than it would otherwise have proposed.

The rights of Mariner stockholders will be governed by Apache's restated certificate of incorporation and amended bylaws.

All Mariner stockholders who receive shares of Apache common stock in the merger will become Apache stockholders and their rights as stockholders will be governed by Apache's restated certificate of incorporation and its

amended bylaws. There are material differences between the current rights of Mariner stockholders, which are governed by Mariner's second amended and restated certificate of incorporation and fourth amended

Table of Contents

and restated bylaws, and the rights of holders of Apache common stock. See Comparison of Rights of Apache Stockholders and Mariner Stockholders.

Apache may fail to realize the anticipated benefits of the merger, which could adversely affect the value of Apache's common stock.

The success of the merger will depend, in part, on Apache's ability to integrate effectively the businesses of Apache and Mariner and realize the anticipated benefits from such combination. To realize these anticipated benefits, the combined company must successfully integrate the businesses of Apache and Mariner and it is possible that Apache will not be able to achieve these benefits fully, or at all, or will not be able to achieve them within the anticipated timeframe. Failure to achieve the anticipated merger benefits could result in increased costs or decreases in the amount of expected revenues and could adversely affect Apache's future business, financial condition, operating results and prospects.

Apache and Mariner have operated and, until the completion of the merger, will continue to operate independently, and there can be no assurance that their businesses can be integrated successfully. If Apache's expectations as to the benefits of the merger turn out to be incorrect, or Apache is not able to successfully combine the businesses of Apache and Mariner for any other reason, the value of Apache's common stock (including the stock issued as the merger consideration) may be adversely affected.

The integration process is subject to a number of uncertainties. It is possible that the integration process could result in the loss of key Mariner employees, as well as the disruption of each company's ongoing business or inconsistencies in standards, controls, procedures, policies and compensation arrangements, any of which could adversely affect the combined company's ability to achieve the anticipated benefits of the merger. The combined company's results of operations could also be adversely affected by any issues attributable to either company's operations that arise or are based on events or actions that occur prior to the closing of the merger. Apache may have difficulty addressing possible differences in corporate cultures and management philosophies. In addition, the combined company may not be able to eliminate duplicative costs or realize other efficiencies from integrating the businesses to offset part or all of the transaction and merger-related costs incurred by Apache and Mariner. Specific issues that must be addressed upon completion of the merger in order to realize the anticipated benefits of the merger include, among other things:

integrating the companies' oil and natural gas exploration and production operations;

applying each company's best practices to the combined oil and natural gas portfolio;

combining the companies' natural gas processing, marketing and transportation functions;

harmonizing the companies' operating practices, employee development and compensation programs, internal controls and other policies, procedures and processes;

integrating the companies' corporate, administrative and information technology infrastructure; and

managing any tax costs or inefficiencies associated with integration.

In addition, at times, the attention of certain members of Mariner's management and Apache's management, and resources of the two companies, may be focused on the completion of the merger and the integration of the businesses of the two companies and diverted from day-to-day business operations, which could also have an adverse effect on the businesses of Apache or Mariner or the combined company.

Any delay in completing the merger may substantially reduce the benefits expected to be obtained from the merger.

The merger is subject to a number of other conditions beyond the control of Mariner and Apache that may prevent, delay or otherwise materially adversely affect its completion. See The Merger Agreement Conditions to the Merger. Apache and Mariner cannot predict whether or when the conditions required to complete the merger will be satisfied. The requirements for obtaining the required clearances and approvals could delay the effective time of the merger for a significant period of time or prevent it from occurring. Any

Table of Contents

delay in completing the merger may materially adversely affect the synergies and other benefits that Apache and Mariner expect to achieve if the merger and the integration of their respective businesses are completed within the expected timeframe.

Mariner may have difficulty attracting, motivating and retaining executives and other key employees in light of the merger.

Uncertainty about the effect of the merger on Mariner employees may have an adverse effect on Mariner and consequently Apache. This uncertainty may impair Mariner's ability to attract, retain and motivate key personnel until the merger is completed. Employee retention may be particularly challenging during the pendency of the merger, as employees may experience uncertainty about their future roles with Apache. If key employees of Mariner depart because of issues relating to the uncertainty and difficulty of integration or a desire not to become employees of Apache, Apache's ability to realize the anticipated benefits of the merger could be delayed or reduced.

Failure to complete the merger could negatively impact the stock price and the future business and financial results of Mariner.

If the merger is not completed, the ongoing business of Mariner may be adversely affected and Mariner would be subject to a number of risks, including the following:

Mariner will not realize the benefits expected from the merger, including a potentially enhanced competitive and financial position, and instead will be subject to all the risks it currently faces as an independent company;

Mariner may experience negative reactions from the financial markets and Mariner's customers and employees;

under the merger agreement, Mariner may be required to pay to Apache a termination fee of \$67 million (less the amount of any of Apache's expenses reimbursed by Mariner pursuant to the merger agreement) if the merger agreement is terminated under certain circumstances. If such a termination fee is payable, the payment of this fee could have material and adverse consequences to the financial condition and operations of Mariner (see "The Merger Agreement - Termination, Amendment and Waiver");

Mariner will be required to pay certain costs relating to the merger, including certain investment banking, legal and accounting fees and expenses, whether or not the merger is completed;

the merger agreement places certain restrictions on the conduct of Mariner's business prior to the completion of the merger or the termination of the merger agreement. Such restrictions, the waiver of which is subject to the consent of Apache (not to be unreasonably withheld, conditioned or delayed), may prevent Mariner from making certain acquisitions, taking certain other specified actions or otherwise pursuing business opportunities during the pendency of the merger (see "The Merger Agreement - Conduct of Business Pending the Effective Time of the Merger" for a description of the restrictive covenants applicable to Mariner); and

matters relating to the merger (including integration planning) may require substantial commitments of time and resources by Mariner management, which would otherwise have been devoted to other opportunities that may have been beneficial to Mariner as an independent company.

There can be no assurance that the risks described above will not materialize, and if any of them do, they may adversely affect Mariner's business, financial results and stock price.

Pending litigation against Mariner and Apache could result in an injunction preventing the consummation of the merger or may adversely affect Apache's business, financial condition or results of operations following the merger.

In connection with the merger, to date, two lawsuits styled as class actions have been filed in the Delaware Court of Chancery and in the state District Court of Harris County, Texas against Mariner, its

Table of Contents

directors and officers, alleging violations of various fiduciary duties in approving the merger and, in the case of the Delaware lawsuit, also against Apache, claiming that Apache aided and abetted such alleged violations. Among other remedies, the plaintiffs seek to enjoin the merger. The outcome of any such litigation is inherently uncertain. These lawsuits could prevent or delay the consummation of the merger and result in substantial costs to Mariner and Apache. Apache's and Mariner's insurance policies may not provide sufficient coverage for the claims under these lawsuits, and rights of indemnification with respect to these lawsuits will continue after the completion of the merger. The defense or settlement of any lawsuit or claim that remains unresolved at the time the merger closes may adversely affect Apache's business, financial condition or results of operations.

Following the merger, Apache's exposure to offshore Gulf of Mexico operations will increase.

Following the merger, a larger percentage of Apache's exploration and production operations will be related to offshore Gulf of Mexico properties. Greater offshore concentration proportionally increases risks from delays or higher costs common to offshore activity including severe weather, availability of specialized equipment, compliance with environmental and other laws and regulations and increases in insurance costs or decreases in the availability of insurance.

The market value of Apache common stock could decline if large amounts of its common stock are sold following the merger.

Following the merger, stockholders of Apache and former stockholders of Mariner will own interests in a combined company operating an expanded business with more assets and a different mix of liabilities. Current stockholders of Apache and Mariner may not wish to continue to invest in the additional operations of the combined company, or may wish to reduce their investment in the combined company, or for other reasons may wish to dispose of some or all of their interests in the combined company. If, following the merger, large amounts of Apache common stock are sold, the price of its common stock could decline.

The merger will likely not be accretive, and may be dilutive, to Apache's earnings per share, which may negatively affect the market price of Apache common stock.

Apache anticipates that the merger will not be accretive, and may be dilutive, to earnings per share for several quarters following the merger. This expectation is based on preliminary estimates that may materially change. In addition, future events and conditions could decrease or delay any accretion, result in dilution or cause greater dilution than is currently expected, including adverse changes in energy market conditions; commodity prices for oil, natural gas and natural gas liquids; production levels; reserve levels; operating results; competitive conditions; laws and regulations affecting the energy business; capital expenditure obligations; and general economic conditions. Any dilution of, or decrease or delay of any accretion to, Apache's earnings per share could cause the price of Apache's common stock to decline.

Risks Relating to Apache and Mariner

Apache and Mariner are, and following completion of the merger, Apache and Mariner will continue to be, subject to the risks described in (i) Part I, Item 1A in Apache's Annual Report on Form 10-K for the year ended December 31, 2009, and Part II, Item 1A of Apache's Form 10-Q for the quarter ended March 31, 2010, and (ii) Part I, Item 1A in Mariner's Annual Report on Form 10-K for the year ended December 31, 2009, and Part II, Item 1A of Mariner's 10-Q for the quarter ended March 31, 2010, each of which is on file with the SEC and all of which are incorporated by reference into this proxy statement/prospectus. See [Where You Can Find More Information; Incorporation by Reference](#).

Apache's and Mariner's operations in the Gulf of Mexico could be adversely impacted by the recent drilling rig accident and resulting oil spill.

On April 22, 2010, a deepwater drilling rig, the *Deepwater Horizon*, operating in the Gulf of Mexico on Mississippi Canyon Block 252 sank after an apparent blowout and fire. Although attempts are being made to

Table of Contents

seal the well, hydrocarbons have been leaking and the spill area continues to grow. Neither Apache nor Mariner owns an interest in the field.

As a result of the incident and spill, there may be changes in laws and regulations, increases in insurance costs or decreases in insurance availability, as well as delays in offshore exploration and drilling activities in the Gulf of Mexico. For example, on May 6, 2010, the Secretary of the United States Department of the Interior (DOI) announced that, as a result of the *Deepwater Horizon* incidents, no applications for drilling permits for new offshore drilling activity will go forward until the DOI completes the safety review process that President Obama requested. The DOI indicated that it would deliver its report to the President by May 28, 2010.

Any of the aforementioned changes could adversely impact Apache's, Mariner's or the combined company's cost of operations and ability to explore for, develop or produce hydrocarbons. This in turn could have a material adverse impact on the financial condition or results of operations of Mariner, Apache or the combined company and could impact Apache's ability to realize the anticipated benefits of the merger.

Table of Contents

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus and the documents incorporated by reference in this proxy statement/prospectus contain statements that constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Representatives of Apache and Mariner may also make forward-looking statements. Forward-looking statements are opinions, forecasts, projections, future plans or other statements other than statements of historical fact and are identified by terminology such as expect, anticipate, estimate, intend, may, will, could, would, should, predict, potential, believe or the negative of these terms or similar terminology. Neither Mariner nor Apache can give any assurance that such expectations will prove to be correct. Actual results could differ materially as a result of a variety of risks and uncertainties, including: the timing to consummate the proposed agreement; the risk that a condition to closing the proposed agreement may not be satisfied; the risk that a regulatory approval that may be required for the proposed agreement is not obtained or is obtained subject to conditions that are not anticipated; negative effects from the pendency of the merger; Apache's ability to achieve the synergies and value creation contemplated by the proposed agreement; Apache's ability to promptly and effectively integrate the merged businesses; and the diversion of management time on agreement-related issues.

These statements are only predictions and are not guarantees of performance. Actual results may differ materially from those expected, estimated or projected because of market conditions or other factors. These statements are based upon the current beliefs and expectations of management of Apache and Mariner and are subject to numerous risks and uncertainties that could cause actual outcomes and results to be materially different from those projected or anticipated. In addition to the risks described under Risk Factors and those risks described in documents that are incorporated by reference into this proxy statement/prospectus, the following factors, among others, could cause actual results to be materially different from those expressed or implied by any forward-looking statements:

Mariner stockholder approval may not be obtained in a timely manner, or at all;

the merger may not close due to the failure to satisfy any of the closing conditions;

expected synergies and value creation from the merger may not be realized;

key employees of Mariner may not be retained;

the businesses may not be integrated successfully;

management time may be diverted on merger-related matters;

fluctuations in the prices of crude oil, natural gas and natural gas liquids;

the downgrade of Apache's or Mariner's credit rating;

general economic, business or industry conditions;

credit risk of counterparties;

the expiration of leases on undeveloped acreage;

cash flow, liquidity and financial position;

pipeline and gathering system capacity constraints and various transportation interruptions;

success in acquiring or finding additional reserves on an economic basis;

the effects of industry competition;

the failure to realize adequate returns on wells that are drilled;

the success of commodity price risk management and trading activities;

the failure to fully identify potential problems related to acquired reserves or to properly estimate those reserves;

Table of Contents

the impact of government regulation of the oil and natural gas industry;
the impact of weather and the occurrence of natural events and natural disasters;
environmental liabilities; and
currency rate fluctuations.

You are cautioned not to place undue reliance on the forward-looking statements made in this proxy statement/prospectus or documents incorporated into this proxy statement/prospectus or by representatives of Apache or Mariner. These statements speak only as of the date hereof, or, in the case of statements in any document incorporated by reference, as of the date of such document, or, in the case of statements made by representatives of Apache or Mariner, on the date those statements are made. All subsequent written and oral forward-looking statements concerning the merger, the combined company or any other matter addressed in this proxy statement/prospectus and attributable to Apache, Mariner or any person acting on behalf of either company are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Apache and Mariner expressly disclaim any obligation to publicly update or revise forward-looking statements in light of new information, future events or otherwise.

Table of Contents

THE COMPANIES

Apache Corporation

Apache, a Delaware corporation formed in 1954, is an independent energy company that explores for, develops and produces natural gas, crude oil and natural gas liquids. In North America, Apache's exploration and production interests are focused in the Gulf of Mexico, the Gulf Coast, East Texas, the Permian Basin, the Anadarko Basin and the Western Sedimentary Basin of Canada. Outside of North America, Apache has exploration and production interests onshore Egypt, offshore Western Australia, offshore the U.K. in the North Sea (North Sea), and onshore Argentina. Apache also has exploration interests on the Chilean side of the island of Tierra del Fuego.

Apache's common stock is listed on the NYSE, the Chicago Stock Exchange and the NASDAQ National Market and trades under the symbol APA.

Apache's principal executive offices are located at One Post Oak Central, 2000 Post Oak Boulevard, Suite 100, Houston, Texas 77056, its telephone number is (713) 296-6000 and its website is www.apachecorp.com.

This proxy statement/prospectus incorporates important business and financial information about Apache by reference to other documents that are not included in or delivered with this proxy statement/prospectus. For a list of the documents that are incorporated by reference, see Where You Can Find More Information; Incorporation By Reference.

Mariner Energy, Inc.

Mariner, a Delaware corporation formed in 1983, is an independent oil and gas exploration, development, and production company headquartered in Houston, Texas, with principal operations in the Permian Basin, Gulf Coast and the Gulf of Mexico.

Mariner's common stock is listed on the NYSE and trades under the symbol ME.

Mariner's principal executive offices are located at One BriarLake Plaza, Suite 2000, 2000 West Sam Houston Parkway South, Houston, Texas 77042, its telephone number is (713) 954-5500 and its website is www.mariner-energy.com.

This proxy statement/prospectus incorporates important business and financial information about Mariner from other documents that are not included in or delivered with this proxy statement/prospectus. For a list of the documents that are incorporated by reference, see Where You Can Find More Information; Incorporation By Reference.

ZMZ Acquisitions LLC

ZMZ Acquisitions LLC, which is sometimes referred to as Merger Sub, is a Delaware limited liability company and a wholly owned subsidiary of Apache. Merger Sub was formed solely for the purpose of entering into the merger agreement. Merger Sub has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the merger.

Merger Sub's principal executive offices are located at One Post Oak Central, 2000 Post Oak Boulevard, Suite 100, Houston, Texas 77056 and its telephone number is (713) 296-6000.

Table of Contents

THE MERGER

General

Apache, Merger Sub and Mariner have entered into the merger agreement. Subject to the terms and conditions of the merger agreement and in accordance with Delaware law, Mariner will be merged with and into Merger Sub, with Merger Sub continuing as the surviving entity. Upon completion of the merger, Mariner will cease to exist and Mariner common stock will no longer be outstanding or publicly traded.

Under the merger agreement, Mariner stockholders may elect to receive consideration consisting of cash, shares of Apache common stock or a combination of both in exchange for their shares of Mariner common stock, subject to a proration feature. Mariner stockholders electing to receive a mix of cash and stock consideration and non-electing stockholders will receive \$7.80 in cash and 0.17043 shares of Apache common stock, in exchange for each share of Mariner common stock. Subject to proration, Mariner stockholders electing to receive all cash will receive \$26.00 in cash per Mariner share and Mariner stockholders electing to receive only Apache common stock will receive 0.24347 shares of Apache common stock in exchange for each share of Mariner common stock.

The aggregate cash consideration to be received by Mariner stockholders pursuant to the merger will be fixed at an amount equal to the product of \$7.80 and the number of shares of Mariner common stock outstanding immediately prior to the closing of the merger less 714,887 shares of outstanding unvested restricted stock that will be cancelled upon the merger. Such cash amount is expected to be approximately \$800 million. Similarly, the aggregate number of shares of Apache common stock to be received by Mariner stockholders pursuant to the merger will be fixed at a number equal to the product of 0.17043 and the number of shares of Mariner common stock outstanding immediately prior to the closing of the merger less 714,887 shares of outstanding unvested restricted stock that will be cancelled upon the merger. Such number of shares is expected to be approximately 17.5 million shares of Apache common stock. Accordingly, if Mariner stockholders elect, in the aggregate, to receive cash in an amount greater than the aggregate cash consideration payable under the merger agreement, then those holders electing to receive all cash consideration will be prorated down and will receive Apache stock as a portion of the overall consideration they receive for their shares. On the other hand, if Mariner stockholders elect, in the aggregate, to receive stock in an amount greater than the aggregate number of shares issuable under the merger agreement, then those holders electing to receive all stock consideration will be prorated down and will receive cash as a portion of the overall consideration they receive for their shares. As a result, Mariner stockholders that make a valid election to receive all cash or all stock consideration may not receive merger consideration entirely in the form elected.

The share exchange ratios in the merger agreement are fixed and will not change between now and the completion of the merger, regardless of whether the market price of either Apache or Mariner common stock changes. The market price of Apache common stock will fluctuate prior to the merger and the market price of Apache common stock received by Mariner stockholders after completion of the merger could be greater or less than the current market price of Apache common stock and the price of Apache common stock at the election deadline. In addition, the time of the completion of the merger, the values of the three forms of merger consideration that Mariner stockholders will have the right to receive (which are (i) 0.24347 shares of Apache common stock per Mariner share, subject to proration, (ii) \$26.00 in cash per Mariner share, subject to proration, or (iii) a combination of \$7.80 in cash and 0.17043 shares of Apache common stock per Mariner share) may not be equal due to fluctuations in the market price of Apache common stock. See **Risk Factors** **Risks Relating to the Merger** As a result of the consideration election and proration provisions of the merger agreement, and because the market price of Apache common stock will fluctuate, Mariner stockholders cannot be sure of the aggregate value of the merger consideration they will receive.

Apache will not issue any fractional shares of its common stock in connection with the merger. For each fractional share that would otherwise be issued, Apache will pay cash (without interest) in an amount equal to the product of the fractional share and the average of the closing price of Apache common stock on the NYSE, as reported in The Wall Street Journal, for the five consecutive trading days ending on the calendar day immediately prior the closing date of the merger.

Table of Contents

Background of the Merger

Mariner regularly reviews and assesses potential industry and strategic alternatives in order to enhance stockholder value. In connection with these reviews and in an effort to ensure that Mariner's board is fully informed regarding potential avenues for increasing stockholder value, from time to time Mariner's management meets with investment bankers to discuss strategic business opportunities, including acquisitions of and combinations with other companies. In one such meeting in April 2008, Mr. Josey and a representative of Credit Suisse discussed a number of companies that might present strategic business opportunities for Mariner. Apache was one such company discussed, as both companies operate in the Gulf of Mexico shelf and deepwater and in the Permian Basin. From time to time the companies had engaged in farm-out agreements and other ordinary course transactions, and they also owned working interests in some of the same properties, including the Geauxpher prospect at Garden Banks 462. The companies had enjoyed a good working relationship. In April and May 2008, a representative of Credit Suisse met with Roger Plank, Apache's President, and discussed strategic opportunities between Apache and Mariner.

In May 2008, G. Steven Farris, Apache's Chairman and Chief Executive Officer, contacted Scott D. Josey, Mariner's Chairman, Chief Executive Officer and President, to suggest that they meet to discuss a potential business combination. Messrs. Farris and Josey met on May 22, 2008 to discuss such a transaction. Mr. Farris did not present any specific proposal at that time. Mr. Josey responded that he would discuss the matter with members of Mariner's board. Mr. Josey subsequently reported on his conversation with Mr. Farris to two Mariner directors, Bernard Aronson (Mariner's presiding independent director) and Jonathan Ginns. Mr. Aronson relayed the information provided by Mr. Josey to the other members of Mariner's board.

Representatives of Apache and Mariner negotiated the terms of a confidentiality agreement over the following weeks, and on June 17, 2008, the parties executed an agreement. In the confidentiality agreement Apache agreed to a standstill provision providing that it would not, for a period of two years, acquire or seek, offer or propose to acquire any securities or assets of Mariner or take other actions seeking to control or influence Mariner. The confidentiality agreement also restricted acquisitions by Apache of interests in certain properties for which Mariner was the apparent high bidder at an offshore lease sale that had recently occurred, but for which leases had not yet been awarded to Mariner. Following execution of the confidentiality agreement on June 17, several members of Mariner management and Ryder Scott Company, L.P., the petroleum consulting firm primarily responsible for overseeing the preparation of Mariner's reserve estimates, met with representatives of Apache to review reserve estimates, prospects and financial and legal matters. Over the course of the next few days, subsequent conversations took place between members of management of the two companies regarding the means of conducting accounting and tax due diligence and personnel matters.

On June 19, 2008, Messrs. Farris and Josey met to discuss Mariner's prospects and other due diligence issues.

On June 20, 2008, at a telephonic special meeting of Mariner's board, Mr. Josey reported on the status of discussions with, and due diligence conducted by, Apache. The board also considered the retention of Credit Suisse as Mariner's financial advisor in connection with a potential transaction. The board noted Credit Suisse's knowledge of Mariner, having previously provided Mariner with financial advisory and other investment banking services, and Credit Suisse's knowledge of the oil and gas industry and experience as a financial advisor in connection with transactions similar to the proposed merger. Credit Suisse was formally engaged by Mariner on June 25, 2008. The board requested that Mr. Josey provide updates as appropriate to Mr. Aronson, who would communicate with the other directors.

Over the course of the following nine weeks, representatives of Mariner, Ryder Scott, Deloitte & Touche LLP (Mariner's independent auditor) and PricewaterhouseCoopers (tax consultant to Mariner) provided Apache with

additional due diligence information regarding Mariner's reserve estimates, prospect inventory, financial condition, accounting, tax, and legal matters, among other things.

On August 19, 2008, Mr. Farris met with Mr. Josey at Mariner's offices in Houston. Mr. Farris said that Apache would be willing to acquire Mariner for consideration worth \$30 per share of Mariner common stock, which represented a premium of approximately 3.5% to Mariner's then-current stock price. Mr. Farris also

Table of Contents

indicated that the proposed transaction would potentially be contingent on the successful sale of a volumetric production payment with respect to a portion of Mariner's leasehold interests. Mr. Josey stated his view that the proposed consideration was too low and that the risk associated with the sale of the volumetric production payment was unacceptable, but he said he would convey Apache's proposal to the Mariner board. Mr. Josey discussed the proposal with the Mariner directors individually. Following those discussions, he reported to Mr. Farris that Mariner was not interested in further pursuit of a transaction at that time.

On February 8, 2010, representatives of another company, referred to as Company A, and Company A's financial advisor met with Mr. Josey to express interest in acquiring Mariner for a purchase price of \$18 to \$19 per share. The representatives stated that the proposal was based on, among other things, Company A's review of Mariner's reserve estimates as of December 31, 2008, but not its 2009 reserve estimates, which had only recently been disclosed.

On February 23, 2010, the Mariner board discussed Company A's proposal and concluded that the proposed consideration was insufficient but authorized management to allow Company A to review nonpublic information, with the expectation that Company A would be able to increase its proposed purchase price substantially following its review of Mariner's prospects and 2009 year-end reserve estimates. The board also discussed Mariner's strategy as a diversified company, marketing and messaging with respect to its strategy and various potential alternatives for its operating regions. The board reviewed a sum of the parts analysis prepared by Mariner management that attempted to evaluate each of Mariner's operating regions based on valuation metrics of several non-diversified, publicly-traded companies, each operating primarily in one of Mariner's operating regions. The analysis indicated that the stock of Mariner, as a diversified company, traded at a significant discount to the sum of the estimated values of its operating regions if they were valued similarly to the non-diversified or pure play companies in those regions. The sum of the parts analysis reflected a potential trading range for Mariner common stock of \$25.23 to \$35.59 per share, excluding estimated values for certain unbooked Mariner discoveries but providing methodologies for valuing Mariner's interests in those discoveries. Earlier that month, Mariner had provided the sum of the parts analysis and the potential trading range in a February 4 public presentation to the investor community at the Credit Suisse Energy Summit Conference and also made it publicly available on Mariner's website. Subsequent to that public presentation and through the February 23 board meeting, Mariner's common stock closed at prices ranging from \$13.65 to \$15.52. Subsequently, management used the methodologies provided to the board at the February 23 board meeting to assign values to the unbooked discoveries and included those values, as well as values for a significant portion of Mariner's deepwater exploration prospect portfolio prepared by a third-party engineering firm, in public presentations to the investor community on March 2, March 23 and April 13, 2010 and made publicly available on Mariner's website, reflecting a potential trading range for Mariner common stock of approximately \$43 to \$60 per share. Subsequent to the first of those public presentations and through the date prior to the announcement of the merger with Apache, Mariner's common stock closed at prices ranging from \$14.13 to \$18.09.

Mariner and Company A negotiated and, on March 11, 2010, executed a confidentiality agreement in a form substantially similar to the one previously entered into with Apache, including a two-year standstill provision. Later that day, several members of the Company's management team met with representatives of Company A to provide information regarding Mariner's 2009 reserve estimates, prospects and financial matters. Representatives of Company A also were provided access to representatives of Ryder Scott to perform a more detailed review of Mariner's reserve estimates. During the course of the diligence meetings on March 11, Mr. Josey met with a representative of Company A to discuss the expected timing of a revised proposal. The representative advised Mr. Josey that Company A's board of directors had approved discussions regarding a business combination and that their board planned to meet on April 16, 2010 to consider a revised proposal to acquire Mariner.

From March 11, 2010, until April 9, 2010, members of Mariner's management team provided additional due diligence information to representatives of Company A.

Table of Contents

On March 25, 2010, at Mr. Farris's request, Mr. Josey met with Messrs. Farris and Plank at Apache's offices in Houston. At the meeting Mr. Farris suggested that Apache and Mariner re-engage in discussions regarding a business combination, because the two companies had a great asset and people fit and Mariner's deepwater position was desirable to Apache, but he did not present any specific proposal. Mr. Josey responded by saying that the consideration in any proposal would need to reflect a substantial premium in order to be successful. Mr. Josey also indicated to Messrs. Farris and Plank that another party had expressed an interest in acquiring Mariner, that it was undertaking due diligence, and that the board of directors of the other party planned to meet on April 16 to consider a possible transaction. Mr. Farris responded that, due to its extensive analysis of Mariner in 2008, Apache could be ready with an offer and a merger agreement on an accelerated timeline. Mr. Josey also stated that even though Mariner could provide confidential data to Apache under the 2008 confidentiality agreement which remained in effect until June 2010, he would prefer that the parties execute an extension before he arranged for additional confidential information about Mariner to be delivered to Apache.

Apache and Mariner entered into a new confidentiality agreement on March 26, 2010, in a form substantially similar to the prior agreement between the parties. Shortly after execution of the confidentiality agreement, Mariner made diligence materials available, and meetings occurred between representatives of Mariner, Ryder Scott and Apache over the next two weeks.

On April 1, 2010, Apache's board of directors convened a special meeting to consider the potential transaction with Mariner. The board was presented with financial and operational information about Mariner, including an update on developments in Mariner's business since a possible transaction had been last considered by the board in 2008. At the end of the meeting and after extensive discussion, the board authorized Apache management to continue its pursuit of a transaction with Mariner for consideration of up to \$25 per share with at least 70% payable in Apache common stock.

On April 5, 2010, Mr. Josey met with Mr. Farris at Apache's offices. At this meeting, Messrs. Josey and Farris discussed in general terms the per-share purchase price of a potential acquisition, with Mr. Josey indicating his belief that the Mariner board would be disappointed with any offer below \$25 per share, and that an offer may need to be as high as \$30 per share in order to be approved. Messrs. Josey and Farris also discussed generally the possibility of making a portion of the consideration contingent on the success of the Heidelberg #2 well in the Gulf of Mexico deepwater, which was being drilled on a prospect in which Mariner has an interest (referred to as the Heidelberg well). Mr. Josey also requested that, in accordance with the confidentiality agreement, Apache should not provide a written offer to Mariner unless it was invited to do so by Mariner's board of directors. Mr. Farris thanked Mr. Josey for the information, and did not present him with an offer. That afternoon the parties amended the confidentiality agreement to permit advisors and additional employees of Apache to assist in the due diligence effort.

Following his meeting with Mr. Josey, Mr. Farris met with Apache's financial advisors, Goldman, Sachs & Co., referred to as Goldman Sachs, and J.P. Morgan Securities Inc., referred to as J.P. Morgan, to inform them of his conversation with Mr. Josey. Over the next two days, Messrs. Farris and Plank, other Apache senior management, and representatives of Goldman Sachs and J.P. Morgan worked on preparing an appropriate initial proposal to Mariner.

As part of preparing the initial proposal, Mr. Farris telephoned each of the members of Apache's board, informed them of developments, and discussed with them the possible terms that were being developed. In the course of consultation with the directors, Mr. Farris was given the discretion to offer to Mariner a combination of cash and Apache common stock as consideration in the merger.

On April 7, 2010, a representative of Company A sent an e-mail to Jesus G. Melendrez, Mariner's Senior Vice President, Chief Commercial Officer, Acting Chief Financial Officer and Treasurer, to inform him that Company A's board meeting to discuss a potential transaction with Mariner would be delayed. The following day, Mr. Melendrez

advised representatives of Company A and its financial advisor that such delay was not in Company A's interest.

Table of Contents

Also on April 7, 2010, Mr. Farris called Mr. Josey to notify him that Apache was prepared to send a term sheet describing its offer to acquire Mariner and that Apache was highly motivated to complete a transaction because of the strategic fit of Mariner's assets with Apache's North American operations. He communicated that it was important to Apache that a merger agreement be signed and a transaction be announced very quickly. Mr. Farris also told Mr. Josey that Apache would not engage in an auction process in connection with a possible transaction. Mr. Josey responded that he would discuss the terms of the initial proposal with the Mariner board and call Mr. Farris afterwards. Mr. Josey then advised Mariner's presiding independent director of the conversation, and the director organized a board meeting to be held that afternoon.

Following his conversation with Mr. Josey, Mr. Farris telephoned each of Apache's directors separately and informed them of the terms of the initial proposal. Each director was supportive of the proposal and instructed Mr. Farris to continue pursuing the transaction with Mariner.

Later in the day on April 7, 2010, Apache sent Mariner a term sheet proposing a merger for consideration of \$25.00 per share, payable in a combination of cash (30%) and shares of Apache common stock (70%) at a fixed exchange ratio. Apache stated that the \$25 proposal represented a premium of 47% to Mariner's closing price and a 63% premium to Mariner's 30-day average trading price, each as of April 6, 2010. The term sheet further proposed that the consideration would be increased or decreased by \$2.00 per share depending on success or lack of success at the Heidelberg #2 well. The Heidelberg well was expected to be completed in May 2010 and was designed to delineate the lateral extent of the M-15 sand of the reservoir found in a discovery well that reached total depth in 2009, and to explore another potential target in the lower Miocene sand. Because of the contingent adjustment to the proposed purchase price (a result of which was that the consideration would either be \$23.00 or \$27.00 per share, but never \$25.00), Apache's proposal effectively offered consideration of \$23.00 per share with a possible \$4.00 increase for success at the Heidelberg well. The term sheet stated that it would expire on April 14, 2010, and that Apache had prepared a draft merger agreement and was prepared to begin negotiations immediately. The term sheet also stated Apache's intention to be able to announce a transaction within days and in no event later than April 14, 2010.

After receipt of the term sheet, Mariner's board convened a telephonic special meeting on April 7, 2010 to discuss the proposal, including the financial terms, the likelihood that the transaction could be successfully completed, and potential responses to the proposal. Also present at the invitation of the board were representatives of Baker Botts L.L.P., outside counsel to Mariner, who discussed with the directors certain legal matters, including their fiduciary duties to stockholders in connection with a potential business combination transaction. During the meeting, Mr. Josey updated the directors on his discussions with Mr. Farris. After discussing the terms proposed in the Apache term sheet and Mariner's other prospects, the board decided to seek to reengage Credit Suisse as Mariner's financial advisor in connection with a potential transaction, given Credit Suisse's familiarity with Mariner and its prior engagement as Mariner's financial advisor in 2008 in connection with Mariner's discussions regarding a potential transaction with Apache. The board instructed Mr. Josey to tell Mr. Farris that the board was seriously considering Apache's proposal and would respond promptly after further analysis and after consulting with Credit Suisse. The board also received a status report on discussions with Company A. Credit Suisse was contacted that evening and instructed to begin preparing an analysis of Apache's proposal for discussion with the board.

On April 8, 2010, Mr. Josey called Mr. Farris to update him on the board's reaction to the proposal and on next steps. Messrs. Josey and Farris briefly discussed the terms reflected in the term sheet, particularly Apache's rationale for proposing consideration contingent upon the success of the Heidelberg well. Other members of Mariner management met that day and on April 9, 2010 with Apache representatives to discuss how to define "success" at the Heidelberg well for purposes of determining whether the contingent consideration would be paid.

On April 9, 2010, Mariner's board again convened a telephonic special meeting, with representatives of Mariner management, Baker Botts and Credit Suisse also attending. Mr. Josey briefed the board on his April 8 discussion with

Mr. Farris. Representatives of Credit Suisse reviewed its preliminary financial analyses with respect to Mariner and the proposed merger. The board, with the assistance of management and Credit Suisse, also evaluated and discussed potential business combination transactions with other companies (including

Table of Contents

Company A), taking into account the various financial and operational characteristics of the other potential partners and the probable level of interest and strategic rationale for each company to engage in a business combination with Mariner, and the financial capability of each to complete a transaction. The board, in consultation with its legal and financial advisors, also considered the potential benefits of conducting an auction process or other effort to solicit interest from other potential buyers prior to the execution and delivery of a merger agreement with Apache, and what it viewed as a substantial risk that conducting such a process could cause Apache to terminate discussions with Mariner given Apache's stated intention not to participate in an auction and insistence on a short time frame. The board concluded that other companies lacked the strategic fit that had attracted Apache to Mariner and thus were unlikely to offer a price higher than the price proposed by Apache. The board also considered the risks and opportunities of Mariner remaining an independent company and the risk that the company would not achieve or exceed a stock price comparable to the proposed merger consideration within a reasonable period of time, taking into account the competitive landscape, the risks inherent in Mariner's business activities, fluctuations in the availability of capital and the volatility of commodity prices. After extensive discussion, the directors determined to reconvene on April 11, 2010 to continue their review of a potential transaction with Apache.

On April 10, 2010, Mr. Josey called Mr. Farris to update him on the board's process and timing. He stated that Apache's initial proposal would have to be improved, and he suggested in particular that the contingent consideration proposal regarding the Heidelberg well be amended to consist of an increase in the event of success, without a corresponding decrease. Mr. Farris agreed to reconsider Apache's proposal in light of Mr. Josey's comments, but he emphasized that, in light of Mariner's previously planned analyst conference scheduled for April 15, 2010, Apache felt very strongly that an agreement must be executed and the transaction announced no later than April 14, 2010.

Following the call, Mr. Farris, Apache's senior management and its financial advisors met telephonically to discuss Mr. Josey's response to Apache's initial offer. After considerable discussion, Mr. Farris and Apache management decided that at the next discussion between the parties, Apache would offer \$26 per Mariner share, payable in a combination of 30% cash and 70% Apache common stock, but without any contingent consideration relating to the Heidelberg well.

Later that day, P. Anthony Lannie, Apache's Executive Vice President and General Counsel, sent a draft merger agreement to Teresa G. Bushman, Mariner's Senior Vice President, General Counsel and Secretary.

On April 11, 2010, the Mariner board convened a telephonic special meeting, with representatives of Mariner management, Baker Botts, Credit Suisse and Morris, Nichols, Arsht & Tunnell LLP, special Delaware counsel to Mariner, also attending. Mr. Josey updated the directors on his latest discussion with Mr. Farris, including Mr. Farris' emphasis on announcing a transaction by April 14, 2010. Representatives of Baker Botts briefed the board on the terms reflected in the draft merger agreement provided by Apache, which included, among other things:

a condition to Apache's obligation to close that oil and natural gas commodity market prices not fall below specified levels;

a condition to Apache's obligation to close that hurricane damage to Mariner's assets not exceed 10% of the consideration payable to Mariner stockholders in the merger;

a termination fee, payable by Mariner in the event that it terminated the agreement to accept an alternative acquisition proposal or in other specified circumstances, of 3.75% of the value of the consideration payable to Mariner stockholders; and

in addition to the termination fee, an incremental obligation to reimburse Apache's expenses capped at 2% of the value of the equity consideration.

Representatives of Baker Botts and Morris Nichols reviewed for the directors their fiduciary duties and other legal matters. Representatives of Credit Suisse discussed certain financial aspects of Apache's proposal, including potential collar mechanisms regarding the Apache common stock proposed to be received in the merger. After extensive discussion, the board authorized Mr. Josey to propose to Apache consideration of \$26

Table of Contents

per share with a \$2.50 increase if the Heidelberg well were successful, payable 30% in cash and 70% in Apache stock at a fixed exchange ratio.

Messrs. Josey and Farris spoke by phone later in the evening of April 11, 2010. Mr. Josey conveyed the board's purchase price proposal and indicated to Mr. Farris that the sections of Apache's draft merger agreement regarding proposed closing conditions based on commodity prices and hurricane damage were not acceptable, that the termination fee must be lower and that the expense reimbursement must be eliminated. Mr. Farris expressed concern that it would be difficult to define the parameters for success at the Heidelberg well and suggested that the merger consideration be set at \$25 per share with no contingent consideration adjustment. Mr. Josey responded that \$25 per share was insufficient, to which Mr. Farris responded that Apache's best and final offer would be a purchase price set at \$26 per share with no adjustment. Mr. Josey agreed to discuss Apache's proposal with the Mariner board.

Mariner's board met telephonically on April 12, 2010 with representatives of Credit Suisse, Baker Botts, Morris Nichols and members of management also in attendance. After extensive discussion and consideration of Mariner's possible responses and various strategic alternatives, the board authorized Mr. Josey to continue the negotiations with Apache on the basis of the \$26 per share purchase price, with a breakup fee of less than 3%. The board also received a status report on discussions with Company A. The board instructed Baker Botts to send comments to the draft merger agreement to Apache, including a deletion of the proposed closing conditions based on commodity prices and hurricane damage and a reduction of the termination fee to 2% of the value of the equity consideration, with no expense reimbursement.

Later that day, Mr. Josey spoke with Mr. Farris about the board's decision to proceed on the basis of \$26 per share and informed Mr. Farris that the breakup fee must be less than 3%, all subject to the negotiation of a mutually acceptable merger agreement. Mr. Farris reiterated Apache's desire to be in a position to sign and announce an agreement by April 14, 2010. Subsequent to this discussion, Baker Botts sent a revised draft of the merger agreement reflecting Mariner's comments to Apache and Andrews Kurth LLP, outside counsel to Apache.

Also on April 12, representatives of Goldman Sachs called representatives of Credit Suisse to emphasize that Apache was very serious about the April 14, 2010 deadline and informed Credit Suisse that there was a real risk that Apache would not agree to a transaction if an agreement could not be reached by April 14, 2010.

On April 11, 2010, Mr. Josey was contacted by a representative of Company A's financial advisor regarding the previous communication between Mr. Melendrez and representatives of Company A concerning the delay in Company A's schedule for updating its proposal. After exchanging messages, Mr. Josey and Company A's representative spoke on April 12, 2010. Mr. Josey told the representative that he had been advised that Company A's board meeting would be delayed. Mr. Josey stated his belief that the delay was harming Company A's credibility with Mariner's board and that any proposal should be made sooner rather than later. The financial advisor responded that Company A expected to provide a new proposal during the week of April 19, 2010 following its board meeting.

On April 13, 2010, representatives of Apache, Mariner, Credit Suisse, Baker Botts and Andrews Kurth, met telephonically and in person at the offices of Andrews Kurth to conduct due diligence on Apache's business and operations and to discuss the draft merger agreement. During the merger agreement discussions, Apache agreed to remove the proposed closing conditions based on commodity prices and hurricane damage. Apache stated that it was still considering Mariner's proposal on the termination fee but might agree to limit its proposed expense reimbursement to \$7.5 million. On that day and continuing over the next day, representatives of the parties continued to negotiate and revise the draft merger agreement and disclosure schedules.

Later on April 13, the Mariner board met telephonically, with representatives of Credit Suisse and Baker Botts and members of management also participating, to discuss the status of the discussions with Apache. During the board

meeting, Mr. Josey reported on his April 12 conversation with Company A's financial advisor. Mr. Josey also reported on his most recent conversations with Mr. Farris, during which they had discussed retention and severance arrangements for Mariner's nonexecutive employees. The board

Table of Contents

determined to continue with negotiations with Apache. Later that evening, Apache sent Mariner a revised draft merger agreement reflecting a 3% breakup fee and an incremental expense reimbursement of \$10 million.

Throughout the day on April 14, 2010, representatives of Mariner, Apache, Baker Botts and Andrews Kurth met to negotiate the draft merger agreement. During those discussions, Mariner stated that the termination fee could be no higher than 2.5% of the value of the equity consideration, with no expense reimbursement.

On the afternoon of April 14, 2010, Apache's board of directors held a special meeting to consider the proposed business combination, with representatives of Goldman Sachs, J.P. Morgan, and Apache's senior management attending. The board was provided with a substantially final draft of the merger agreement and other materials related to the transaction. At the meeting, Apache's financial advisors Goldman Sachs and J.P. Morgan reviewed their financial analyses of the proposed merger. Mr. Lannie reviewed with the board certain legal matters relating to the board's consideration of the proposed merger, discussed certain material terms of the merger agreement, and reviewed the status of the remaining open issues. Mr. Lannie informed the board that in addition to certain drafting matters, the parties had yet to reach agreement on the amount of a termination fee. Mr. Lannie explained that Mariner's proposal for the breakup fee was 2.5% of the value of the equity consideration and Apache's proposal was for 3%. After discussion and deliberation, the Apache board approved and adopted the proposed merger agreement and the transactions contemplated thereby, giving Mr. Farris authority and parameters under which to resolve the remaining open issues. Mr. Farris then contacted Mr. Josey to inform him that the Apache board meeting had concluded and that the board had approved the merger.

Later on April 14, Mariner's board again convened telephonically to consider the terms of the proposed transaction. Prior to the meeting the directors received a packet that included the current draft of the merger agreement, a summary of the agreement and other discussion materials to facilitate their review and consideration of the proposed transaction, including financial analyses prepared by Credit Suisse. During the meeting, representatives of Credit Suisse reviewed its financial analyses with respect to Mariner and the proposed transaction with the board, and representatives of Baker Botts and Morris Nichols reviewed the terms of the proposed merger agreement and the board's fiduciary duties.

During the board meeting and after the close of trading on the New York Stock Exchange, the board was notified that an employee of Apache had mistakenly sent an e-mail to investment analysts announcing a conference call for the following day to discuss Apache's agreement to acquire Mariner and had attempted to recall the e-mail. The board then agreed to recess the meeting to allow Mariner's management and advisors to inquire about what had occurred and to continue to negotiate with respect to the outstanding issues on the proposed merger agreement. Members of Mariner's and Apache's respective transaction teams then discussed and resolved (subject to finalization of disclosure schedules and board approval) all outstanding terms, including reaching agreement to set the termination fee at \$67 million, or approximately 2.5% of the value of the equity consideration, with a reciprocal expense reimbursement capped at \$7.5 million and credited against the termination fee if paid. The final exchange ratio was set with reference to Apache's closing stock price on April 13, 2010 of \$106.79.

After resolution of the outstanding issues, the Mariner board reconvened. Credit Suisse delivered its oral opinion to the Mariner board (which was subsequently confirmed in writing by delivery of Credit Suisse's written opinion dated April 14, 2010), to the effect that, as of April 14, 2010, the merger consideration to be received by the holders of Mariner common stock in the merger was fair, from a financial point of view, to such holders. Following discussion, the board unanimously determined that the proposed merger agreement and the transactions contemplated by the proposed merger agreement were advisable, fair to and in the best interests of Mariner and its stockholders, and approved and adopted the proposed merger agreement and the transactions contemplated thereby.

After the parties finalized the form of, and exchanged the final versions of, the merger agreement and disclosure schedules, the agreement was executed by Apache, Mariner and Merger Sub, and Apache and Mariner issued a joint press release before the opening of trading on April 15, 2010 announcing the merger agreement.

Table of Contents

Recommendation of the Mariner Board of Directors and Its Reasons for the Merger

In reaching its decision to approve the merger and the merger agreement and recommend the approval and adoption of the merger agreement by Mariner stockholders, the Mariner board of directors consulted with Mariner management, as well as with Mariner's legal and financial advisors, and considered a number of factors, including the following:

The fact that the merger consideration:

exceeded by 44.4% the median of the price targets for Mariner common stock set by investment analysts covering Mariner;

represented a 47.3% premium to the closing price of Mariner common stock on April 13, 2010;

represented a 64.5% premium to the average closing price for the 20 trading days ended April 13, 2010;

represented a 73.0% premium to the average closing price for the three months ended April 13, 2010; and

represented a 93.9% premium to the average closing price for the year ended April 13, 2010.

The board's view, in consultation with management and Credit Suisse, that, taking into account the unique compatibility of Mariner's assets with Apache's existing properties and operational experience, Apache would be more likely to offer a higher price to acquire Mariner than other potential acquirors.

The risks and opportunities of Mariner remaining an independent company, including the competitive landscape, the risks inherent in Mariner's exploration activities, fluctuations in the availability of capital and the volatility of commodity prices.

The risk that Mariner would not achieve or exceed a stock price comparable to the proposed merger consideration within a reasonable period of time.

The financial analysis reviewed and discussed with Mariner's board by representatives of Credit Suisse, as well as the oral opinion of Credit Suisse to Mariner's board on April 14, 2010 (which was subsequently confirmed in writing by delivery of Credit Suisse's written opinion dated the same date) with respect to the fairness, from a financial point of view, to the holders of Mariner common stock of the merger consideration to be received by such holders in the merger.

The Mariner board's recognition that management's sum of the parts analysis was an illustration of the view that Mariner's stock was undervalued by the market on a relative basis compared to certain other companies rather than a projection of actual trading values that management and the Mariner board believed would realistically be attained in a reasonable period of time.

The fact that the acquisition would provide Mariner stockholders with the benefits of ownership in a much larger company with a more diversified asset base, an investment grade credit rating, and greater financial capacity to explore, develop and exploit Mariner's portfolio of assets.

The fact that 70% of the merger consideration will be paid in shares of Apache common stock in a tax-free reorganization, providing Mariner stockholders with the opportunity to participate in any future earnings or

growth of Apache and future appreciation of Apache common stock following the merger should they determine to retain the Apache common stock payable in the merger.

The fact that the price of Apache common stock is generally subject to less volatility than Mariner common stock and that Apache stock would provide liquidity for those Mariner stockholders who seek to sell their shares following the merger.

The fact that 30% of the merger consideration will be paid in cash, which provides Mariner stockholders with some protection against the value of the merger consideration diminishing due to a decrease in the trading price of Apache common stock before the closing of the merger.

Table of Contents

The Mariner board's knowledge of Apache's business, operations, financial condition, earnings and prospects, taking into account the results of Mariner's due diligence review of Apache.

The risk that conducting an auction process or other effort to solicit interest from other potential buyers prior to the execution and delivery of the merger agreement could cause Apache to terminate discussions with Mariner.

The belief that regulatory approvals and clearances necessary to complete the merger will likely be obtained promptly without material cost or burden.

The terms and conditions of the merger agreement and the course of negotiations thereof, including:

the structure of the transaction as a merger, requiring approval by Mariner's stockholders, which would result in detailed public disclosure and a period of time prior to completion of the merger during which an unsolicited superior proposal could be brought forth;

Mariner's right to engage in negotiations with, and provide information to, a third party that makes an unsolicited acquisition proposal if the board of directors concludes in good faith, after consultation with its outside counsel and financial advisors, that such proposal constitutes or is reasonably likely to lead to a transaction that is more favorable to Mariner's stockholders than the merger;

the Mariner board's right to change or withdraw its recommendation if it concludes in good faith that a change or withdrawal is necessary in order to comply with its fiduciary obligations under applicable law, subject to the payment of a termination fee to Apache in certain circumstances;

Mariner's right to terminate the merger agreement in order to accept a superior proposal, subject to certain conditions and payment of a termination fee to Apache;

the termination fee of \$67 million, representing approximately 2.5% of the value of the equity consideration in the proposed transaction, which the board viewed as relatively low compared to comparable transactions;

that it is not a condition to closing that Apache receive financing for the cash portion of the merger consideration; and

that Mariner's stockholders will be entitled to appraisal rights under Delaware law.

The Mariner board of directors also considered potential risks and potentially negative factors concerning the merger in connection with its deliberations of the proposed transaction, including:

The risks and contingencies relating to the announcement and pendency of the merger and the risks and costs to Mariner if the closing of the merger is not timely or if the merger does not close at all, including the diversion of management and employee attention, potential employee attrition, the impact on Mariner's relationships with third parties and the effect a public announcement of termination of the merger agreement may have on the trading price of Mariner's common stock and Mariner's operating results.

The potential impact of the restrictions under the merger agreement on Mariner's ability to take specified actions during the period prior to the completion of the merger (which may delay or prevent Mariner from undertaking business opportunities that may arise pending completion of the merger).

The fact that the exchange ratio included in the merger agreement provides for a fixed number of shares of Apache common stock, the possibility that Mariner stockholders could be adversely affected by a decrease in the trading price of Apache common stock before the closing of the merger, and the fact that the merger agreement does not provide Mariner with a termination right based on the trading price of Apache common stock.

The absence of an auction process or other effort to solicit interest from other potential buyers prior to the execution and delivery of the merger agreement.

Table of Contents

The limitations imposed in the merger agreement on the solicitation, negotiation or consideration by Mariner of alternative transactions with third parties.

The provision of the merger agreement that, in certain circumstances, Mariner could be required to pay a termination fee of \$67 million to Apache, potentially discouraging other parties from proposing an alternative transaction with Mariner.

The transaction costs to be incurred in connection with the merger.

The interests of Mariner executive officers and directors with respect to the merger apart from their interests as Mariner stockholders, and the risk that these interests might influence their decisions with respect to the merger (see [Interests of the Mariner Directors and Executive Officers in the Merger](#)).

The risks described in the section titled [Risk Factors](#).

The foregoing list comprises material factors considered by Mariner's board of directors in its consideration of the merger and is intended to be a summary rather than an exhaustive list. In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the Mariner board of directors did not find it useful and did not attempt to quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the merger and the merger agreement and to recommend that Mariner stockholders adopt the merger agreement. In addition, individual members of the Mariner board may have given differing weights to different factors. The Mariner board did not reach any specific conclusion with respect to any of the factors considered and instead conducted an overall analysis of such factors.

The Mariner board of directors unanimously determined that the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of Mariner and its stockholders, and approved and adopted the merger agreement and the transactions contemplated thereby.

The Mariner board of directors unanimously recommends that Mariner stockholders vote **FOR** the merger proposal.

Opinion of Mariner's Financial Advisor

On April 14, 2010, Credit Suisse rendered its oral opinion to Mariner's board of directors (which was subsequently confirmed in writing by delivery of Credit Suisse's written opinion dated the same date) to the effect that, as of April 14, 2010, the merger consideration to be received by the holders of Mariner common stock in the merger was fair, from a financial point of view, to such holders.

Credit Suisse's opinion was directed to Mariner's board of directors and only addressed the fairness to the holders of Mariner common stock, from a financial point of view, of the merger consideration to be received by such holders in the merger, and did not address any other aspect or implication of the merger. The summary of Credit Suisse's opinion in this proxy statement/prospectus is qualified in its entirety by reference to the full text of its written opinion, which is included as Annex B to this proxy statement/prospectus and sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Credit Suisse in preparing its opinion. However, neither Credit Suisse's written opinion nor the summary of its opinion and the related analyses set forth in this proxy statement/prospectus are intended to be, and do not constitute advice or a recommendation to any holder of Mariner common stock as to how such stockholder should act or vote with respect to any matter relating to the merger.

In arriving at its opinion, Credit Suisse:

1. reviewed the merger agreement and certain related agreements;
2. reviewed certain publicly available business and financial information relating to Mariner and Apache;

Table of Contents

3. reviewed certain other information relating to Mariner and Apache, including certain oil and gas reserve reports prepared by the management of Mariner and certain oil and gas reserve reports prepared by Mariner's independent oil and gas reserve engineers containing estimates with respect to Mariner's oil and gas reserves, which we refer to collectively as the Reserve Reports;
4. reviewed certain financial forecasts relating to Mariner provided to Credit Suisse by Mariner;
5. reviewed certain publicly available financial forecasts relating to Apache that Credit Suisse discussed with Apache;
6. met with the managements of Mariner and Apache to discuss the business and prospects of Mariner and Apache, respectively;
7. considered certain financial and stock market data of Mariner and Apache, and compared that data with similar data for other companies with publicly traded securities in businesses Credit Suisse deemed similar to those of Mariner and Apache;
8. considered, to the extent publicly available, the financial terms of certain other business combinations and other transactions which have recently been effected or announced; and
9. considered such other information, financial studies, analyses and investigations and financial, economic and market criteria which Credit Suisse deemed relevant including, without limitation, certain alternative oil and gas commodity pricing assumptions and probabilities, which is sometimes referred to as risking.

In connection with its review, Credit Suisse did not independently verify any of the foregoing information and assumed and relied upon such information being complete and accurate in all material respects. With respect to the financial forecasts for Mariner that Credit Suisse used in its analyses, the management of Mariner advised Credit Suisse, and Credit Suisse assumed, that such forecasts had been reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of Mariner as to the future financial performance of Mariner. With respect to the oil and gas reserve estimates for Mariner set forth in the Reserve Reports that Credit Suisse reviewed, the management of Mariner advised Credit Suisse, and Credit Suisse assumed, that such estimates had been reasonably prepared on bases reflecting the best currently available estimates and judgments of Mariner and its independent oil and gas reserve engineers with respect to the oil and gas reserves of Mariner. With respect to the alternative oil and gas commodity pricing assumptions and risking that Credit Suisse utilized for purposes of its analyses, Credit Suisse was advised by the management of Mariner, and assumed, that such assumptions were a reasonable basis on which to evaluate the future financial performance of Mariner and were appropriate for such purposes. With respect to the publicly available financial forecasts for Apache referred to above, Credit Suisse reviewed and discussed such forecasts with the management of Apache who advised Credit Suisse, and with Mariner's consent Credit Suisse assumed, that such forecasts represented reasonable estimates and judgments with respect to the future financial performance of Apache. Credit Suisse assumed, with Mariner's consent, that the merger would be treated as a tax-free reorganization for federal income tax purposes. Credit Suisse also assumed, with Mariner's consent, that, in the course of obtaining any regulatory or third party consents, approvals or agreements in connection with the merger, no delay, limitation, restriction or condition would be imposed that would have an adverse effect on Mariner, Apache or the contemplated benefits of the merger and that the merger would be consummated in accordance with the terms of the merger agreement without waiver, modification or amendment of any material term, condition or agreement thereof. In addition, Credit Suisse was not requested to make, and did not make, an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Mariner or Apache, nor was Credit Suisse furnished with any such evaluations or appraisals other than the Reserve Reports. Credit Suisse is not an expert in the evaluation of oil and gas reserves and Credit Suisse expressed no view as to the reserve quantities, or the development or production (including, without limitation, as to the feasibility or timing thereof), of any oil or gas properties of

Mariner.

Credit Suisse's opinion addressed only the fairness, from a financial point of view, to the holders of Mariner common stock of the merger consideration to be received by such holders in the merger and did not address any other aspect or implication of the merger or any other agreement, arrangement or understanding entered into in connection with the merger or otherwise, including, without limitation, the fairness of the amount or nature of, or any other aspect relating to, any compensation to any officers, directors or employees

Table of Contents

of any party to the merger, or class of such persons, relative to the merger consideration or otherwise. The issuance of Credit Suisse's opinion was approved by an authorized internal committee of Credit Suisse.

Credit Suisse's opinion was necessarily based upon information made available to Credit Suisse as of the date of its opinion and financial, economic, market and other conditions as they existed and could be evaluated on the date of its opinion. In addition, as Mariner was aware, the financial projections and estimates that Credit Suisse reviewed relating to the future financial performance of Mariner and Apache reflected certain assumptions regarding the oil and gas industry which are subject to significant volatility and which, if different than assumed, could have had a material impact on Credit Suisse's analyses and opinion. Credit Suisse did not express any opinion as to what the value of shares of Apache common stock actually would be when issued to the holders of Mariner common stock pursuant to the merger or the prices at which shares of Apache common stock would trade at any time. Credit Suisse's opinion did not address the relative merits of the merger as compared to alternative transactions or strategies that might be available to Mariner, nor did it address the underlying business decision of Mariner to proceed with the merger. Credit Suisse was not requested to, and did not, solicit third party indications of interest in acquiring all or any part of Mariner.

Credit Suisse's opinion was for the information of Mariner's board of directors in connection with its consideration of the merger and does not constitute advice or a recommendation to any stockholder as to how such stockholder should vote or act on any matter relating to the merger or whether such stockholder should elect to receive all cash consideration, all stock consideration or a mix of cash and stock consideration in the merger.

In preparing its opinion to Mariner's board of directors, Credit Suisse performed a variety of analyses, including those described below. The summary of Credit Suisse's analyses described below is not a complete description of the analyses underlying Credit Suisse's fairness opinion. The preparation of a fairness opinion is a complex process involving various quantitative and qualitative judgments and determinations with respect to the financial, comparative and other analytic methods employed and the adaptation and application of those methods to the unique facts and circumstances presented. As a consequence, neither Credit Suisse's opinion nor the analyses underlying its opinion are readily susceptible to partial analysis or summary description. Credit Suisse arrived at its opinion based on the results of all analyses undertaken by it and assessed as a whole and did not draw, in isolation, conclusions from or with regard to any individual analysis, analytic method or factor. Accordingly, Credit Suisse believes that its analyses must be considered as a whole and that selecting portions of its analyses, analytic methods and factors, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying its analyses and opinion.

In performing its analyses, Credit Suisse considered business, economic, industry and market conditions, financial and otherwise, and other matters as they existed on, and could be evaluated as of, the date of the written opinion. No company, transaction or business used in Credit Suisse's analyses for comparative purposes is identical to Mariner, Apache or the merger. While the results of each analysis were taken into account in reaching its overall conclusion with respect to fairness, Credit Suisse did not make separate or quantifiable judgments regarding individual analyses. The implied valuation reference ranges indicated by Credit Suisse's analyses are illustrative and not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by the analyses. In addition, any analyses relating to the value of assets, businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold, which may depend on a variety of factors, many of which are beyond Mariner's control and the control of Credit Suisse. Much of the information used in, and accordingly the results of, Credit Suisse's analyses are inherently subject to substantial uncertainty.

Credit Suisse's opinion and analyses were provided to Mariner's board of directors in connection with its consideration of the merger and Credit Suisse's analyses were among many factors considered by Mariner's board of directors in

evaluating the merger. Neither Credit Suisse's opinion nor its analyses were determinative of the merger consideration or of the views of Mariner's board of directors with respect to the merger.

The following is a summary of the material financial analyses performed in connection with the preparation of Credit Suisse's opinion rendered to Mariner's board of directors on April 14, 2010. The analyses

Table of Contents

summarized below include information presented in tabular format. The tables alone do not constitute a complete description of the analyses. Considering the data in the tables below without considering the full narrative description of the analyses, as well as the methodologies underlying and the assumptions, qualifications and limitations affecting each analysis, could create a misleading or incomplete view of Credit Suisse's analyses.

For purposes of its analyses, Credit Suisse reviewed a number of financial metrics including:

Enterprise Value generally the value as of a specified date of the relevant company's outstanding equity securities (taking into account its options and other outstanding convertible securities) plus the value of its minority interests plus the value as of such date of its net debt (the value of its outstanding indebtedness, preferred stock and capital lease obligations less the amount of cash on its balance sheet).

EBITDAX generally the amount of the relevant company's earnings before interest, taxes, depreciation, amortization and exploration expenses for a specified time period.

Pre-Tax PV 10% generally means the estimated net present value, using a discount rate of 10%, of future cash inflows from proved reserves and applying 12-month average prices for natural gas and oil (calculated as the unweighted arithmetic average of the first-day-of-the-month price for each month within the 12-month prior period to the end of the period), net of future development and production costs.

Unless the context indicates otherwise, equity values used in the selected companies analysis described below were calculated using the closing price of the common stock of Mariner, Apache and the selected companies listed below as of April 13, 2010. Estimates of EBITDAX and daily production for Mariner for the fiscal years ending December 31, 2010 and 2011 were based on projected reserves and financial data for 2010 and reserve data for 2011, in each case provided by management of Mariner. Estimates of EBITDAX and daily production for Apache and the selected companies listed below for the fiscal years ending December 31, 2010 and 2011 were based on publicly available research analyst estimates. For purposes of its analyses and its opinion, Credit Suisse assumed an implied value of the merger consideration to be received by the holders of Mariner common stock in the merger of \$26.00 per share of Mariner common stock based on the closing price of Apache common stock on April 13, 2010. Reserves and production are expressed on a natural gas equivalent basis.

Selected Companies Analysis

Credit Suisse calculated the multiples of enterprise value to certain financial metrics for the selected companies in the oil and gas industry deemed to be similar to Mariner or Apache, as the case may be, in one or more respects which included nature of business, size, diversification, financial performance and geographic concentration.

The calculated multiples included:

Enterprise Value as a multiple of 2010E EBITDAX;

Enterprise Value as a multiple of 2011E EBITDAX;

Enterprise Value as a multiple of 2009 year-end proved reserves;

Enterprise Value as a multiple of 2010E daily production;

Enterprise Value as a multiple of 2011E daily production; and

Enterprise Value as a multiple of Pre-Tax PV 10% at year-end 2009.

No specific numeric or other similar criteria were used to select the selected companies and all criteria were evaluated in their entirety without application of definitive qualifications or limitations to individual criteria. As a result, a significantly larger or smaller company with substantially similar lines of business and business focus may have been included while a similarly sized company with less similar lines of business and greater diversification may have been excluded. Credit Suisse identified a sufficient number of companies for

Table of Contents

purposes of its analysis but may not have included all companies that might be deemed comparable to Mariner.

The selected companies were:

Pioneer Natural Resources Company

Plains Exploration & Production Company

Concho Resources Inc.

Whiting Petroleum Corporation

ATP Oil & Gas Corporation

Energy XXI (Bermuda) Limited

McMoRan Exploration Co.

Swift Energy Company

Stone Energy Corporation

W&T Offshore, Inc.

Crimson Exploration Inc.

The selected companies analysis indicated the following:

Multiple Description	Median	Mean
Enterprise Value as a multiple of:		
2010E EBITDAX	6.0x	5.9x
2011E EBITDAX	4.2x	4.5x
2009 Year-End Proved Reserves (\$/Mcf)	\$ 3.47	\$ 3.61
2010E Daily Production (\$/Mcf/d)	\$ 11,501	\$ 12,291
2011E Daily Production (\$/Mcf/d)	\$ 10,431	\$ 11,120
2009 Year-End Pre-Tax PV 10%	2.0x	2.2x

Credit Suisse applied multiple ranges based on the selected companies analysis to corresponding financial data for Mariner including 2010E EBITDAX, 2011E EBITDAX, 2009 year-end proved reserves, 2010E daily production, 2011E daily production and 2009 year-end Pre-Tax PV 10% to calculate an implied reference range per share of Mariner common stock. The selected companies analysis indicated an implied reference range per share of Mariner common stock of \$15.35 to \$23.10, as compared to the implied value of the merger consideration of \$26.00 per share of Mariner common stock.

Net Asset Value (NAV) Analysis

Credit Suisse calculated the net present value of Mariner's unlevered, after-tax cash flows from Mariner's reserves based on the following scenarios. For purposes of the unrisks scenarios, it was assumed that all reserves would be realized. For purposes of the risks scenarios, it was assumed that the classes of reserves would be realized in accordance with the associated percentages.

Proved Reserves (1P) NAV Analysis:

Unrisks using the New York Mercantile Exchange, or NYMEX, forward pricing curve for oil and natural gas;

Unrisks Credit Suisse research analyst pricing estimates for oil and natural gas;

Proved and Probable Reserves (2P) NAV Analysis:

Risks NYMEX forward pricing curve (Proved (100%)/Probable (50%));

Table of Contents

Risked Credit Suisse research analyst pricing estimates (Proved (100%)/Probable (50%));

Unrisked NYMEX forward pricing curve;

Unrisked Credit Suisse research analyst pricing estimates;

Proved, Probable and Possible Reserves (3P) + Contingent Resources NAV Analysis:

Risked NYMEX forward pricing curve (Proved (100%)/Probable (50%)/Possible and Contingent (20%));

Risked Credit Suisse research analyst pricing estimates (Proved (100%)/Probable (50%)/Possible and Contingent (20%));

Risked NYMEX forward pricing curve (Proved (100%)/Probable (50%)/Possible and Contingent (50%)); and

Risked Credit Suisse research analyst pricing estimates (Proved (100%)/Probable (50%)/Possible and Contingent (50%)).

In performing this analysis, Credit Suisse calculated the net present value of the unlevered, after-tax free cash flows that Mariner could generate during calendar years 2010 through 2024 from its estimated reserves as of March 31, 2010. Estimated cash flows were based on reserve and production data reflected in reserve reports prepared by independent oil and gas reserve engineers or by Mariner's management and NYMEX forward pricing curve oil and gas commodity prices as reported on the NYMEX and Credit Suisse research analyst pricing estimates for oil and natural gas through 2016, thereafter increased at a rate 2% per year through 2024. Estimated cash flows after 2024 were discounted based on the weighted average remaining life of production. The present value of the cash flows were calculated using discount rates ranging from 9.0% to 11.0%. This analysis indicated the following implied per share reference range for Mariner common stock under the following scenarios, as compared to the implied value of the merger consideration of \$26.00 per share of Mariner common stock:

Scenario	Implied Reference Range Per Share of Mariner Common Stock (NYMEX Forward Pricing Curve)	Implied Reference Range per Share of Mariner Common Stock (Credit Suisse Research Analyst Forward Pricing Estimates)
Proved Reserves (1P) NAV		
Analysis:		
Unrisked	\$ 9.03 - \$10.81	\$ 7.27 - \$8.85
Proved and Probable Reserves (2P)		
NAV Analysis:		
Risked (Proved (100%)/Probable (50%))	\$ 13.37 - \$15.75	\$ 10.91 - \$13.00
Unrisked	\$ 17.70 - \$20.68	\$ 14.54 - \$17.13
Proved, Probable and Possible Reserves (3P) + Contingent Resources NAV Analysis:		
Risked (Proved (100%)/Probable (50%)/Possible and Contingent	\$ 17.62 - \$21.15	\$ 14.29 - \$17.31

(20%))

Risked (Proved (100%)/Probable

(50%)/Possible and Contingent

(50%))

\$ 23.97 - \$29.23

\$ 19.33 - \$23.75

Table of Contents***Selected Transactions Analysis***

Credit Suisse calculated multiples of transaction value to certain financial data based on the purchase prices paid in selected publicly-announced transactions involving target companies in the oil and gas industry, oil and gas reserve assets in the Gulf of Mexico and onshore oil and gas reserve assets that it deemed relevant.

The calculated multiples included:

Transaction Value as a multiple of proved reserves; and

Transaction Value as a multiple of daily production.

The selected transactions were selected because the target companies or relevant assets were deemed to be similar to Mariner in one or more respects including the nature of their business, size, diversification, financial performance and geographic concentration. No specific numeric or other similar criteria were used to select the selected transactions and all criteria were evaluated in their entirety without application of definitive qualifications or limitations to individual criteria. As a result, a transaction involving the acquisition of a significantly larger or smaller company or significantly larger or smaller assets with substantially similar lines of business and business focus may have been included while a transaction involving the acquisition of a similarly sized company or group of assets with less similar lines of business and greater diversification may have been excluded. Credit Suisse identified a sufficient number of transactions for purposes of its analysis, but may not have included all transactions that might be deemed comparable to the merger.

The selected corporate transactions were:

Date Announced	Buyer	Seller
04/04/10	SandRidge Energy, Inc.	Arena Resources, Inc.
11/01/09	Denbury Resources Inc.	Encore Acquisition Company
06/05/08	Concho Resources Inc.	Henry Petroleum LP
04/30/08	Stone Energy Corporation	Bois d Arc Energy, Inc.
07/17/07	Plains Exploration & Production Company	Pogo Producing Company
01/07/07	Forest Oil Corporation	The Houston Exploration Company
08/28/06	Woodside Petroleum Ltd.	Energy Partners, Ltd.
06/23/06	Anadarko Petroleum Corporation	Kerr-McGee Corporation
05/25/06	Energy Partners, Ltd.	Stone Energy Corporation
04/24/06	Plains Exploration & Production Company	Stone Energy Corporation
04/21/06	Petrohawk Energy Corporation	KCS Energy, Inc.
01/23/06	Cal Dive International, Inc.	Remington Oil and Gas Corporation
10/13/05	Occidental Petroleum Corporation	Vintage Petroleum, Inc.
09/19/05	Norsk Hydro ASA	Spinnaker Exploration Company
04/04/05	ChevronTexaco Corporation	Unocal Corporation
01/26/05	Cimarex Energy Co.	Magnum Hunter Resources, Inc.

The selected corporate transactions analysis indicated the following:

Multiple Description	Median	Mean
Transaction Value as a multiple of:		
Proved Reserves (\$/Mcfe)	\$ 3.47	\$ 3.52
Daily Production (\$/Mcfe/d)	\$ 12,013	\$ 13,258

Credit Suisse applied multiple ranges based on the selected corporate transactions analysis to corresponding financial data for Mariner including proved reserves and daily production to calculate an implied reference range per share of Mariner common stock. The selected corporate transactions analysis indicated an implied reference range per share of Mariner common stock of \$21.17 to \$26.98, as compared to the implied value of the merger consideration of \$26.00 per share of Mariner common stock.

Table of Contents

The selected Gulf of Mexico oil and gas reserve asset transactions involved:

Date Announced	Buyer	Seller
04/12/10	Apache Corporation	Devon Energy Corporation
11/23/09	Energy XXI (Bermuda) Limited	Mitsui & Co., Ltd.
02/26/08	Dynamic Offshore Resources, LLC	Superior Energy Services, Inc.
02/01/08	Korea National Oil Corporation / Samsung Corporation	Taylor Energy Company LLC
12/28/07	Mariner Energy, Inc.	Statoil ASA
06/21/07	McMoRan Exploration Co.	Newfield Exploration Company
04/30/07	Eni S.p.A.	Dominion Resources, Inc.
04/24/07	Energy XXI (Bermuda) Limited	Pogo Producing Company
05/16/06	Coldren Oil & Gas Company LP	Noble Energy, Inc.
04/20/06	Mitsui & Co., Ltd.	Pogo Producing Company
04/19/06	Apache Corporation / Stone Energy Corporation / Mariner Energy, Inc.	BP p.l.c.
02/23/06	Marubeni Corporation	Pioneer Natural Resources Company
01/24/06	W&T Offshore, Inc.	Kerr-McGee Corporation
09/12/05	Mariner Energy, Inc.	Forest Oil Corporation
09/01/05	Woodside Petroleum Ltd.	Gryphon Exploration Company
04/28/05	Statoil ASA	Encana Corporation

The selected Gulf of Mexico oil and gas reserve asset transactions analysis indicated the following:

Multiple Description	Median	Mean
Transaction Value as a multiple of:		
Proved Reserves (\$/Mcfe)	\$ 3.82	\$ 4.39
Daily Production (\$/Mcfe/d)	\$ 6,944	\$ 7,208

The selected onshore oil and gas reserve asset transactions involved:

Date Announced	Buyer	Seller
04/05/10	Quantum Resources Management, LLC	Denbury Resources Inc.
03/29/10	Linn Energy, LLC	Undisclosed
01/11/10	Berry Petroleum Company	Undisclosed
12/01/09	Linn Energy, LLC	Undisclosed
11/30/09	SandRidge Energy, Inc.	Forest Oil Corporation
11/23/09	Concho Resources Inc.	Terrace Petroleum Corporation
09/15/09	Apollo Global Management LLC	Parallel Petroleum Corporation
04/30/09	Apache Corporation	Marathon Oil Corporation
12/21/07	Linn Energy, LLC	Lamamco Drilling Company
07/18/07	EV Energy Partners, L.P.	Plantation Petroleum Holdings III, LLC.

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01/18/07	Apache Corporation	Anadarko Petroleum Corporation
11/02/06	St. Mary Land & Exploration Company	Undisclosed
04/17/06	Pogo Producing Company	Latigo Petroleum, Inc.

The selected onshore oil and gas reserve asset transactions analysis indicated the following:

Multiple Description	Median	Mean
Transaction Value as a multiple of:		
Proved Reserves (\$/Mcf)	\$ 2.17	\$ 2.27
Daily Production (\$/Mcf/d)	\$ 15,625	\$ 15,970

Table of Contents

Credit Suisse applied multiple ranges based on the selected Gulf of Mexico oil and gas reserve asset transactions analysis to corresponding financial data for Mariner’s Gulf of Mexico oil and gas reserves and applied multiple ranges based on the selected onshore oil and gas reserve asset transactions analysis to corresponding financial data for Mariner’s onshore oil and gas reserves to calculate an implied reference range per share of Mariner common stock. The selected oil and gas reserve asset transactions analysis indicated an implied reference range per share of Mariner common stock of \$17.77 to \$26.50, as compared to the implied value of the merger consideration of \$26.00 per share of Mariner common stock.

Other Considerations

Implied Premiums Analysis. Credit Suisse also observed the following closing stock prices for Mariner common stock and the premium per share of Mariner common stock implied by the merger consideration based on the closing price of Apache common stock of \$106.79 on April 13, 2010:

Average	Premium of Implied Value of Merger Consideration to the Average Closing Price of	Spot Closing	Premium of Implied Value of Merger Consideration
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