

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

OMB APPROVAL	
OMB Number:	3235-0104
Estimated average burden hours per response:	0.5

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>SPCH, LLLP</u> <hr/> (Last) (First) (Middle) <u>ONE MARKET PLAZA</u> <u>STEUART TOWER, SUITE 1400</u> <hr/> (Street) <u>SAN FRANCISCO CA 94105</u> <hr/> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>07/25/2012</u>	3. Issuer Name and Ticker or Trading Symbol <u>AP PHARMA INC /DE/ [ APPA ]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)	5. If Amendment, Date of Original Filed (Month/Day/Year)  6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>A.P. Pharma Common Stock \$0.010 par value</u>	<u>36,190,476</u>	<u>D</u>	

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			

1. Name and Address of Reporting Person* <u>SPCH, LLLP</u> <hr/> (Last) (First) (Middle) <u>ONE MARKET PLAZA</u> <u>STEUART TOWER, SUITE 1400</u> <hr/> (Street) <u>SAN FRANCISCO CA 94105</u> <hr/> (City) (State) (Zip)
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1. Name and Address of Reporting Person* <u>Midler Andrew R</u> <hr/> (Last) (First) (Middle) <u>ONE MARKET PLAZA</u> <u>STEUART TOWER, SUITE 1400</u> <hr/> (Street) <u>SAN FRANCISCO CA 94105</u> <hr/> (City) (State) (Zip)
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**Explanation of Responses:**

SPCH

09/17/2012

\*\* Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.