UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) October 28, 2009

A.P. Pharma, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**001-33221**	**94-2875566**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

123 Saginaw Drive
Redwood City, CA 94063
(Address of principal executive offices)

(650) 366-2626
Registrant's telephone number, including area code

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On April 2, 2009, A.P. Pharma (the "Company") received a notification from The Nasdaq Stock Market ("Nasdaq") that the Company is not in compliance with Marketplace Rule 4450(a)(3) because the Company's stockholders' equity at December 31, 2008 was less than the $10.0 million required for continued listing on The Nasdaq Global Market. As disclosed in the Company's press release dated July 20, 2009, the Company requested, and on August 18, 2009, attended a hearing before the Nasdaq Listing Qualifications Panel (the "Panel") at which it presented its plan to move from The Nasdaq Global Market to The Nasdaq Capital Market and to comply with the $2.5 million stockholders' equity requirement for continued listing on The Nasdaq Capital Market. The Panel has granted the Company's request to transfer the listing of the Company's common stock from The Nasdaq Global Market to The Nasdaq Capital Market, which took effect with the opening of the market on Wednesday, October 28, 2009.

The foregoing description is qualified in its entirety by reference to our press release dated October 28, 2009, a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	**Document Description**
99.1	Press Release issued on October 28, 2009.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

A.P. Pharma, Inc.

Date: October 28, 2009

/s/ Ronald J. Prentki

Ronald J. Prentki
President, Chief Executive Officer and Director

Exhibit 99.1

A.P. Pharma to Transfer to Nasdaq Capital Market

Redwood City, CA – October 28, 2009 – A.P. Pharma (Nasdaq: APPA), a specialty pharmaceutical company, today announced that on October 26, 2009, the Company received notice that the Nasdaq Listing Qualifications Panel (Panel) has granted the Company's request to transfer the listing of the Company's common stock from The Nasdaq Global Market to The Nasdaq Capital Market, which will take effect with the opening of the market on Wednesday, October 28, 2009. The Company's securities will continue to trade on The Nasdaq Stock Market (Nasdaq) under the symbol "APPA."

The Nasdaq Capital Market is a continuous trading market that operates in the same manner as The Nasdaq Global Market and includes the securities of approximately 450 companies. All companies listed on The Nasdaq Capital Market must meet certain financial requirements and adhere to Nasdaq's corporate governance standards.

As previously announced, the Company received notice on July 17, 2009, that it no longer satisfied the $10 million stockholders' equity requirement for continued listing on The Nasdaq Global Market. At a subsequent hearing before the Panel, the Company requested the transfer of its listing to The Nasdaq Capital Market pursuant to an exception to satisfy the $2.5 million stockholders' equity requirement for continued listing on that market. Following the completion of the October 22, 2009 financing for approximately $8.1 million, the Company's stockholders' equity currently exceeds $2.5 million. The Company is awaiting acknowledgement by Nasdaq that it meets the $2.5 million stockholders' equity requirement for continued listing on The Nasdaq Capital Market.

Separately, as announced on September 21, 2009, the Company received notice from Nasdaq that it did not satisfy the $1.00 minimum bid price requirement, and that the Company has been granted through March 15, 2010 to regain compliance with the minimum bid price requirement. If the Company is not in compliance with the minimum bid price requirement by that date, the Company will be entitled to a second 180-calendar day grace period, through September 13, 2010, to evidence compliance with the minimum bid price requirement so long as the Company satisfies all criteria for initial listing on The Nasdaq Capital Market (except for bid price) as of March 15, 2010. If the Company is not eligible for an additional compliance period or if the Company has not otherwise complied with the minimum bid price requirement, Nasdaq will provide written notice to the Company that its securities are subject to delisting. At such time, the Company could appeal the delisting determination to a Panel and the Company's securities would remain listed pending a subsequent decision by the Panel.

About A.P. Pharma

A.P. Pharma is a specialty pharmaceutical company developing products using its proprietary Biochronomer™ polymer-based drug delivery technology. The Company's primary focus is on its lead product candidate, APF530, for the prevention of chemotherapy-induced nausea and vomiting. The New Drug Application for APF530 was submitted to the U.S. Food and Drug Administration (FDA) in May 2009 and accepted for review in July 2009, at which time the FDA set a Prescription Drug User Fee Act date of March 18, 2010. The Company has additional clinical and preclinical stage programs in the area of pain management, all of which utilize its bioerodible injectable and implantable delivery systems. For further information, visit the Company's web site at www.appharma.com.

A.P. Pharma's Forward-looking Statements

This news release contains "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks and uncertainties, including uncertainties associated with timely development, approval, launch and acceptance of new products, satisfactory completion of clinical studies, establishment of new corporate alliances, progress in research and development programs and other risks and uncertainties identified in the Company's filings with the Securities and Exchange Commission. We caution investors that forward-looking statements reflect our analysis only on their stated date. We do not intend to update them except as required by law.

Contacts

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and

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