

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

OMB APPROVAL	
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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>PERCEPTIVE ADVISORS LLC</u>  (Last) (First) (Middle) 499 PARK AVENUE, 25TH FLOOR  (Street) NEW YORK NY 10022  (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 07/01/2011	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)  <input type="checkbox"/> 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)
Common Stock	26,666,667	I	See footnotes <sup>(1)(3)</sup>

**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				
Warrant	(2)	07/02/2011	Common Stock 13,333,333.5 <sup>(2)</sup>	0.18	I	See footnotes (2) and <sup>(3)</sup>

1. Name and Address of Reporting Person* <u>PERCEPTIVE ADVISORS LLC</u>  (Last) (First) (Middle) 499 PARK AVENUE, 25TH FLOOR  (Street) NEW YORK NY 10022  (City) (State) (Zip)		
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1. Name and Address of Reporting Person* <u>PERCEPTIVE LIFE SCIENCES MASTER FUND LTD</u>  (Last) (First) (Middle) C/O PERCEPTIVE ADVISORS LLC 499 PARK AVENUE, 25TH FLOOR  (Street) NEW YORK NY 10022  (City) (State) (Zip)		
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**Explanation of Responses:**

- This Form 3 is being filed by Perceptive Life Science Master Fund Ltd. (the "Master Fund"), Perceptive Advisors LLC (the "Advisor") and Joseph Edelman. The Advisor serves as the investment manager of Master Fund. Mr. Edelman is the managing member of the Advisor.
- The warrants held by the Master Fund are not presently exercisable due to an exercisability limitation included in the Warrant which provides that the warrants are not exercisable (i) while the holder is a beneficial owner of over 9.99 % of the shares of the Issuer or (ii) to the extent that such exercise would cause the holder's beneficial ownership to exceed 9.99%.
- This amount reflects the amount of securities held by the Master Fund immediately following the transaction requiring the filing of this statement. In accordance with Instruction 5(b)(iv) of Form 3, the entire amount of the Issuer's securities held by Master Fund is reported herein. Each of Mr. Edelman and the Advisor disclaims, for purposes of Section 16 of the Securities Exchange Act of 1934, beneficial ownership of such securities, except to the extent of his/its indirect pecuniary interest therein, and this report shall not be deemed an admission that either Mr. Edelman or the Advisor is the beneficial owner of such securities for purposes of Section 16 or for any other purposes.

/S/ JOSEPH EDELMAN

07/07/2011

\*\* Signature of Reporting Person

Date

\* 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.**