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

## **SCHEDULE 13G**

(Rule 13d-102)

## INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULES 13d-1(b), (c), AND (d) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(b) (Amendment No. )<sup>1</sup>

A.P. Pharma, Inc.

(Name of Issuer)

Common Stock, par value \$0.01 per share (Title of Class of Securities)

00202J203

(CUSIP Number)

July 1, 2011

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- o Rule 13d-1(b)
- x Rule 13d-1(c)
- o Rule 13d-1(d)

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, *see* the *Notes*).

<sup>&</sup>lt;sup>1</sup> The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

1       NAME OF REPORTING PERSON         Biotechnology Value Fund, L.P.       (a) x         2       CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP       (a) x         3       SEC USE ONLY       (b) o         3       SEC USE ONLY       (b) o         4       CITIZENSHIP OR PLACE OF ORGANIZATION       (b) o         belaware       Delaware       (c) shares         NUMBER OF SHARES       5       SOLE VOTING POWER         0       shares       0 shares         0VNED BY EACH REPORTING PERSON WITH       6       SHARED DISPOSITIVE POWER         0       o shares       (c) shares         0       shares       (c) shares         0       o shares       (c) shares         0       shares       (c) shares         0       shares       (c) shares         0       shares       (c) shares         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES       [c] shares         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)       2.2%         12       TYPE OF REPORTING PERSON       [c] shares	1				
2       CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP       (a) x         3       SEC USE ONLY         4       CITIZENSHIP OR PLACE OF ORGANIZATION         Delaware       Delaware         NUMBER OF SHARES BENEFICIALLY       5         OWNED BY EACH REPORTING PERSON WITH       6         7       SOLE VOTING POWER         0 shares       0         10       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)       -         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%       -         12       TYPE OF REPORTING PERSON	1	NAME OF REPORTING PERSON			
2       CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP       (a) x         3       SEC USE ONLY         4       CITIZENSHIP OR PLACE OF ORGANIZATION         Delaware       Delaware         NUMBER OF SHARES BENEFICIALLY       5         OWNED BY EACH REPORTING PERSON WITH       6         7       SOLE VOTING POWER         0 shares       0         10       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)       -         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%       -         12       TYPE OF REPORTING PERSON					
3       SEC USE ONLY         4       CITIZENSHIP OR PLACE OF ORGANIZATION         Delaware       Delaware         NUMBER OF SHARES       SOLE VOTING POWER         BENEFICIALLY       0 shares         OWNED BY EACH REPORTING PERSON WITH       6         7       SOLE DISPOSITIVE POWER         0 shares       0         0 shares       0         8       SHARED DISPOSITIVE POWER         4.384,551 (1)       4.384,551 (1)         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4.384,551 (1)					
3       SEC USE ONLY         4       CITIZENSHIP OR PLACE OF ORGANIZATION         Delaware       Delaware         NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH       5       SOLE VOTING POWER         4,384,551 (1)       6       SHARED VOTING POWER         0 shares       0       0         0 shares       0       0         0 shares       0       0         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON       4.384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES       □         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)       2.2%         12       TYPE OF REPORTING PERSON	2	CHECK THE APPRC	PRIATE BOX IF A MEMBER OF A GROUP		
4       CITIZENSHIP OR PLACE OF ORGANIZATION         Delaware       Delaware         NUMBER OF SHARES       5       SOLE VOTING POWER         BENEFICIALLY       0 shares       0         OWNED BY EACH REPORTING PERSON WITH       6       SHARED VOTING POWER         7       SOLE DISPOSITIVE POWER				(b) o	
Delaware       NUMBER OF SHARES     5     SOLE VOTING POWER       BENEFICIALLY     0 shares     0 shares       OWNED BY EACH REPORTING PERSON WITH     6     SHARED VOTING POWER       4,384,551 (1)     4,384,551 (1)       7     SOLE DISPOSITIVE POWER       0 shares     0       8     SHARED DISPOSITIVE POWER       4,384,551 (1)     4,384,551 (1)       9     AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON       4,384,551 (1)     4,384,551 (1)       10     CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES       11     PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)       2.2%     12	3	SEC USE ONLY			
Delaware       NUMBER OF SHARES     5     SOLE VOTING POWER       BENEFICIALLY     0 shares     0 shares       OWNED BY EACH REPORTING PERSON WITH     6     SHARED VOTING POWER       4,384,551 (1)     4,384,551 (1)       7     SOLE DISPOSITIVE POWER       0 shares     0       8     SHARED DISPOSITIVE POWER       4,384,551 (1)     4,384,551 (1)       9     AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON       4,384,551 (1)     4,384,551 (1)       10     CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES       11     PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)       2.2%     12					
NUMBER OF SHARES BENEFICIALLY       5       SOLE VOTING POWER         0wned by EACH REPORTING PERSON WITH       6       SHARED VOTING POWER         7       SOLE DISPOSITIVE POWER         0       0 shares         8       SHARED DISPOSITIVE POWER         4,384,551 (1)       0         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)       10         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%       12	4	CITIZENSHIP OR PI	LACE OF ORGANIZATION		
NUMBER OF SHARES BENEFICIALLY       5       SOLE VOTING POWER         0wned by EACH REPORTING PERSON WITH       6       SHARED VOTING POWER         7       SOLE DISPOSITIVE POWER         0       0 shares         8       SHARED DISPOSITIVE POWER         4,384,551 (1)       0         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)       10         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%       12					
SHARES       0 shares         DENEFICIALLY       0 shares         OWNED BY EACH       6         REPORTING       4,384,551 (1)         7       SOLE DISPOSITIVE POWER         0 shares       0 shares         8       SHARED DISPOSITIVE POWER         4,384,551 (1)			T		
BENEFICIALLY       0 shares         OWNED BY EACH REPORTING PERSON WITH       6       SHARED VOTING POWER         4,384,551 (1)       4,384,551 (1)         7       SOLE DISPOSITIVE POWER         0 shares       0         8       SHARED DISPOSITIVE POWER         4,384,551 (1)       4,384,551 (1)         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)       4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES       □         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%       12       TYPE OF REPORTING PERSON		5	SOLE VOTING POWER		
OWNED BY EACH REPORTING PERSON WITH       6       SHARED VOTING POWER         4,384,551 (1)       4,384,551 (1)         7       SOLE DISPOSITIVE POWER         0 shares       0         8       SHARED DISPOSITIVE POWER         4,384,551 (1)       4,384,551 (1)         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)       4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES       □         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%       12       TYPE OF REPORTING PERSON					
REPORTING PERSON WITH       4,384,551 (1)         7       SOLE DISPOSITIVE POWER         0 shares       0 shares         8       SHARED DISPOSITIVE POWER         4,384,551 (1)       4,384,551 (1)         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)       4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES       □         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)       2.2%         12       TYPE OF REPORTING PERSON       12	-				
PERSON WITH       4,384,551 (1)         7       SOLE DISPOSITIVE POWER         0 shares       0         8       SHARED DISPOSITIVE POWER         4,384,551 (1)       4,384,551 (1)         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)       4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%       12		6	SHARED VOTING POWER		
7       SOLE DISPOSITIVE POWER         0 shares         8       SHARED DISPOSITIVE POWER         4,384,551 (1)         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%         12       TYPE OF REPORTING PERSON					
0 shares         8       SHARED DISPOSITIVE POWER         4,384,551 (1)         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%         12       TYPE OF REPORTING PERSON	PERSON WITH				
8       SHARED DISPOSITIVE POWER         4,384,551 (1)         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%         12       TYPE OF REPORTING PERSON		7	SOLE DISPOSITIVE POWER		
8       SHARED DISPOSITIVE POWER         4,384,551 (1)         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%         12       TYPE OF REPORTING PERSON			0 hours		
4,384,551 (1)         9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%         12       TYPE OF REPORTING PERSON		0			
9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)       4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%         12       TYPE OF REPORTING PERSON		8	SHARED DISPOSITIVE POWER		
9       AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON         4,384,551 (1)       4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%         12       TYPE OF REPORTING PERSON			4 294 EE1 (1)		
4,384,551 (1)         10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)         2.2%         12       TYPE OF REPORTING PERSON	0				
10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES       □         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)       □         2.2%       □       □         12       TYPE OF REPORTING PERSON       □	3	AGGREGALE AMU	JUI DENEFICIALLI OWNED DI EACH KEPOKIING PERSON		
10       CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES       □         11       PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)       □         2.2%       □       □         12       TYPE OF REPORTING PERSON       □		4 384 551 (1)			
11     PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)       2.2%       12     TYPE OF REPORTING PERSON	10		ACCRECATE AMOUNT IN ROW (9) FXCLUDES CERTAIN SHARES		
2.2%       12     TYPE OF REPORTING PERSON	10		TIGGLETITI THOUSE IN NOW (5) ENCLODED CERTAIN DIARES		
2.2%       12     TYPE OF REPORTING PERSON	11	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)			
12 TYPE OF REPORTING PERSON	**				
12 TYPE OF REPORTING PERSON		2.2%			
	12		IG PERSON		
PN		PN			

(1) Includes 1,461,517 shares of Common Stock currently issuable upon the exercise a certain warrant. See Item 4(a) for a full description of the Reporting Person's beneficial ownership.

NAME OF REPORTING PERSON			
CHECK THE APPRO	OPRIATE BOX IF A MEMBER OF A GROUP	(a) x	
		(b) o	
SEC USE ONLY			
CITIZENSHIP OR PI	LACE OF ORGANIZATION		
5	SOLE VOTING POWER		
6	SHARED VOTING POWER		
7	SOLE DISPOSITIVE POWER		
	0 shares		
0			
8	SHARED DISPOSITIVE POWER		
	2 953 500 (1)		
ACCRECATE AMO			
AUGINEGATE AIVIO	ONT DENERGIALET OWNED DT EACH REFORTING FERSON		
2.953.500 (1)			
	E AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES		
PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)			
1.5%			
TYPE OF REPORTING PERSON			
PN			
	Biotechnology Valu CHECK THE APPRO SEC USE ONLY CITIZENSHIP OR PL Delaware 5 6 7 8 AGGREGATE AMO 2,953,500 (1) CHECK BOX IF THI PERCENT OF CLAS 1.5% TYPE OF REPORTIN	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware 5 SOLE VOTING POWER 0 shares 6 SHARED VOTING POWER 2,953,500 (1) 7 SOLE DISPOSITIVE POWER 0 shares 8 SHARED DISPOSITIVE POWER 2,953,500 (1) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 2,953,500 (1) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 1.5% TYPE OF REPORTING PERSON	

(1) Includes 984,500 shares of Common Stock currently issuable upon the exercise of a certain warrant. See Item 4(a) for a full description of the Reporting Person's beneficial ownership.

I <del></del>	i			
1	NAME OF REPORTING PERSON			
	BVF Investments, L.L.C.			
2	CHECK THE APPRO	PRIATE BOX IF A MEMBER OF A GROUP	(a) x	
			(b) o	
3	SEC USE ONLY			
4	CITIZENSHIP OR PL	ACE OF ORGANIZATION		
	Delaware			
NUMBER OF	5	SOLE VOTING POWER		
SHARES				
BENEFICIALLY		0 shares		
OWNED BY EACH	6	SHARED VOTING POWER		
REPORTING				
PERSON WITH		11,357,550 (1)		
	7	SOLE DISPOSITIVE POWER		
		0 shares		
	8	SHARED DISPOSITIVE POWER		
		11,357,550 (1)		
9	AGGREGATE AMOU	JNT BENEFICIALLY OWNED BY EACH REPORTING PERSON		
	11,357,550 (1)			
10	CHECK BOX IF THE	AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES		
11	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)			
	5.6%			
12	TYPE OF REPORTIN	G PERSON		
	00			

(1) Includes 3,785,850 shares of Common Stock currently issuable upon the exercise of a certain warrant. See Item 4(a) for a full description of the Reporting Person's beneficial ownership.

r				
1	NAME OF REPORTING PERSON			
	Investment 10, L.L.C.			
2	CHECK THE APPRC	PRIATE BOX IF A MEMBER OF A GROUP	(a) x	
			(b) o	
3	SEC USE ONLY			
	CITIZENCUID OD DI			
4	CITIZENSHIP OR PI	ACE OF ORGANIZATION		
	Illinois			
NUMBER OF	5	SOLE VOTING POWER		
SHARES	J	SOLE VOTING FOWER		
BENEFICIALLY		0 shares		
OWNED BY EACH	6	SHARED VOTING POWER		
REPORTING				
PERSON WITH		1,304,400 (1)		
	7	SOLE DISPOSITIVE POWER		
		0 shares		
	8	SHARED DISPOSITIVE POWER		
		1,304,400 (1)		
9	AGGREGATE AMOU	JNT BENEFICIALLY OWNED BY EACH REPORTING PERSON		
	1 204 400 (1)			
10	1,304,400 (1)	AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES		
10	CHECK BUX IF THE	AGGREGATE AMOUNT IN ROW (9) EACLUDES CERTAIN SHARES		
11	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)			
11		S NEI REDENTED DI MICONTINICON (5)		
	Less than 1%			
12	TYPE OF REPORTING PERSON			
	00			

(1) Includes 434,800 shares of Common Stock currently issuable upon the exercise of a certain warrant. See Item 4(a) for a full description of the Reporting Person's beneficial ownership.

1	NAME OF REPORTING PERSON				
2	BVF Partners L.P. CHECK THE APPRO	PRIATE BOX IF A MEMBER OF A GROUP	(a) x		
2			(b) o		
3	SEC USE ONLY				
4	CITIZENSHIP OR PL	ACE OF ORGANIZATION			
	Delaware				
NUMBER OF	5	SOLE VOTING POWER			
SHARES BENEFICIALLY		0 shares			
OWNED BY EACH	6	SHARED VOTING POWER			
REPORTING	-				
PERSON WITH		20,000,001 (1)			
	7	SOLE DISPOSITIVE POWER			
		0 shares			
	8	SHARED DISPOSITIVE POWER			
		20,000,001 (1)			
9	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON				
	20,000,001,(1)				
10	20,000,001 (1) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES				
10					
11	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)				
	9.7%				
12	9.7% TYPE OF REPORTING PERSON				
	PN, IA				

(1) Includes 6,666,667 shares of Common Stock currently issuable upon the exercise of certain warrants. See Item 4(a) for a full description of the Reporting Person's beneficial ownership.

1	NAME OF REPORTING PERSON		
	BVF Inc.		
2		PRIATE BOX IF A MEMBER OF A GROUP	(a) x
			(b) o
3	SEC USE ONLY		
4	CITIZENSHIP OR PL	ACE OF ORGANIZATION	
	Delaware		
NUMBER OF	5	SOLE VOTING POWER	
SHARES BENEFICIALLY		0 shares	
OWNED BY EACH	6	SHARED VOTING POWER	
REPORTING			
PERSON WITH		20,000,001 (1)	
	7	SOLE DISPOSITIVE POWER	
		0 shares	
	8	SHARED DISPOSITIVE POWER	
		20,000,001 (1)	
9	AGGREGATE AMOU	JNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	20,000,001 (1)		
10	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES		
_			
11	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)		
	9.7%		
12	TYPE OF REPORTIN	IG PERSON	
	СО		
	0		

(1) Includes 6,666,667 shares of Common Stock currently issuable upon the exercise of certain warrants. See Item 4(a) for a full description of the Reporting Person's beneficial ownership.

	i				
1	NAME OF REPORTING PERSON				
	Mark N. Lampert				
2	CHECK THE APPRC	PRIATE BOX IF A MEMBER OF A GROUP	(a) x		
			(b) o		
3	SEC USE ONLY				
4	CITIZENSHIP OR PL	ACE OF ORGANIZATION			
	United States	T			
NUMBER OF	5	SOLE VOTING POWER			
SHARES					
BENEFICIALLY		0 shares			
OWNED BY EACH	6	SHARED VOTING POWER			
REPORTING					
PERSON WITH		20,000,001 (1)			
	7	SOLE DISPOSITIVE POWER			
		0 hours			
	0	0 shares			
	8	SHARED DISPOSITIVE POWER			
		20,000,001 (1)			
9		20,000,001 (1) JNT BENEFICIALLY OWNED BY EACH REPORTING PERSON			
9	AGGREGALE AMOU	JNI DENEFICIALLI OWNED DI EACH REPORTING PERSON			
	20,000,001 (1)				
10		AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES			
10		A REGREGATE ALTOORT IN ROW (5) EACEODES CERTAIN SHARES			
11	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)				
	9.7%				
12	TYPE OF REPORTING PERSON				
	IN				
	ł				

(1) Includes 6,666,667 shares of Common Stock currently issuable upon the exercise of certain warrants. See Item 4(a) for a full description of the Reporting Person's beneficial ownership.

## CUSIP NO. 00202J203

Item 1(a).	Name of Issuer:
	A.P. Pharma, Inc., a Delaware corporation (the "Issuer").
Item 1(b).	Address of Issuer's Principal Executive Offices:
	123 Saginaw Drive Redwood City, California 94063
Item 2(a). Item 2(b). Item 2(c).	Name of Person Filing Address of Principal Business Office or, if None, Residence Citizenship
900 Chio	echnology Value Fund, L.P. ("BVF") North Michigan Avenue, Suite 1100 cago, Illinois 60611 zenship: Delaware
900 Chio	echnology Value Fund II, L.P. ("BVF2") North Michigan Avenue, Suite 1100 cago, Illinois 60611 zenship: Delaware
900 Chio	F Investments, L.L.C. ("BVLLC") North Michigan Avenue, Suite 1100 cago, Illinois 60611 zenship: Delaware
900 Chio	stment 10, L.L.C. ("ILL10") North Michigan Avenue, Suite 1100 cago, Illinois 60611 zenship: Illinois
900 Chio	<sup>7</sup> Partners L.P. ("Partners") North Michigan Avenue, Suite 1100 rago, Illinois 60611 zenship: Delaware
900 Chio	<sup>7</sup> Inc. North Michigan Avenue, Suite 1100 cago, Illinois 60611 zenship: Delaware
900 Chio	k N. Lampert ("Mr. Lampert") North Michigan Avenue, Suite 1100 cago, Illinois 60611 zenship: United States

Each of the foregoing is referred to as a "Reporting Person" and collectively as the "Reporting Persons."

Item 2(d).	Title of Class of Securities:					
	Comm	Common Stock, par value \$0.01 per share (the "Common Stock")				
Item 2(e).	CUSI	P Numbe	r:			
	00202	J203				
Item 3.	If This	s Stateme	nt is Filed Pursuant to Rule 13d-1(b), or 13d-2(b) or (c), Check Whether the Person Filing is a:			
		/x/	Not applicable.			
	(a)	//	Broker or dealer registered under Section 15 of the Exchange Act.			
	(b)	//	Bank as defined in Section 3(a)(6) of the Exchange Act.			
	(c)	//	Insurance company as defined in Section 3(a)(19) of the Exchange Act.			
	(d) // Investment company registered under Section 8 of the Investment Company Act.		Investment company registered under Section 8 of the Investment Company Act.			
	(e) // An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E).					
	(f) // An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F).		An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F).			
	(g) // A parent holding company or control person in accordance v		A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G).			
	(h)	//	A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act.			
	(i)	//	A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act.			
	(j)	//	Group, in accordance with Rule 13d-1(b)(1)(ii)(J).			
	(k)	//	Group, in accordance with Rule 240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with Rule 240.13d-1(b)(1)(ii)(J), please specify the type of institution:			
Item 4.	Ownership					

(a) Amount beneficially owned:

On July 1, 2011, the Reporting Persons acquired warrants exercisable for an aggregate of 6,666,667 shares of Common Stock. Such warrants are immediately exercisable for \$0.18 per share, subject to certain adjustments pursuant to the terms of the warrants, and expire on July 1, 2016. The warrants may not be exercised if, after such exercise, the Reporting Persons would beneficially own, as determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, more than 9.99% of the number of shares of Common Stock then issued and outstanding.

As of the close of business on July 7, 2011, (i) BVF beneficially owned 4,384,551 shares of Common Stock, including 1,461,517 shares of Common Stock issuable upon the exercise of a certain warrant held by it, (ii) BVF2 beneficially owned 2,953,500 shares of Common Stock, including 984,500 shares of Common Stock issuable upon the exercise of a certain warrant held by it, (iii) BVLLC beneficially owned 11,357,550 shares of Common Stock, including 3,785,850 shares of Common Stock issuable upon the exercise of a certain warrant held by it, and (iv) ILL10 beneficially owned 1,304,400 shares of Common Stock, including 434,800 shares of Common Stock issuable upon the exercise of a certain warrant held by it.

Partners, as the general partner of BVF and BVF2, the manager of BVLLC and the investment adviser of ILL10, may be deemed to beneficially own the 20,000,001 shares of Common Stock, including 6,666,667 shares of Common Stock issuable upon the exercise of certain warrants, beneficially owned in the aggregate by BVF, BVF2, BVLLC and ILL10.

BVF Inc., as the general partner of Partners, may be deemed to beneficially own the 20,000,001 shares of Common Stock, including 6,666,667 shares of Common Stock issuable upon the exercise of certain warrants, beneficially owned by Partners.

Mr. Lampert, as a director and officer of BVF Inc., may be deemed to beneficially own the 20,000,001 shares of Common Stock, including 6,666,667 shares of Common Stock issuable upon the exercise of certain warrants, beneficially owned by BVF Inc.

The foregoing should not be construed in and of itself as an admission by any Reporting Person as to beneficial ownership of any shares of Common Stock owned by another Reporting Person. Each of Partners, BVF Inc. and Mr. Lampert disclaims beneficial ownership of the shares of Common Stock beneficially owned by BVF, BVF2, BVLLC and ILL10 and the filing of this statement shall not be construed as an admission that any such person or entity is the beneficial owner of any such securities.

(b) Percent of class:

Based upon 206,684,463 shares of Common Stock outstanding, which includes (i) 40,017,790 shares of Common Stock issued and outstanding as of June 30, 2011 as disclosed in that certain Securities Purchase Agreement (the "Securities Purchase Agreement") filed as Exhibit 10.1 to the Issuer's Form 8-K filed with the Securities and Exchange Commission on June 30, 2011 (the "8-K"), (ii) 160,000,006 shares of Common Stock issued pursuant to the terms of the Securities Purchase Agreement and disclosed in the 8-K, and (iii) an aggregate of 6,666,667 shares of Common Stock issuable upon the exercise of certain warrants held by the Reporting Persons.

As of the close of business on June 3, 2011, (i) BVF beneficially owned approximately 2.2% of the outstanding shares of Common Stock, (ii) BVF2 beneficially owned approximately 1.5% of the outstanding shares of Common Stock, (iii) BVLLC beneficially owned approximately 5.6% of the outstanding shares of Common Stock, (iv) ILL10 beneficially owned less than 1% of the outstanding shares of Common Stock and (v) each of Partners, BVF Inc. and Mr. Lampert may be deemed to beneficially own approximately 9.7% of the outstanding shares of Common Stock.

- (c) Number of shares as to which such person has:
- (i) Sole power to vote or to direct the vote

See Cover Pages Items 5-9.

(ii)	Shared power to vote or to direct the vote
	See Cover Pages Items 5-9.
(iii)	Sole power to dispose or to direct the disposition of
	See Cover Pages Items 5-9.
(iv)	Shared power to dispose or to direct the disposition of
	See Cover Pages Items 5-9.
Item 5.	Ownership of Five Percent or Less of a Class.
	Not Applicable.
Item 6.	Ownership of More than Five Percent on Behalf of Another Person.
	Pursuant to the operating agreement of BVLLC, Partners is authorized, among other things, to invest the contributed capital of Samana Capital, L.P., the majority member of BVLLC, in the shares of Common Stock and other securities of the Issuer and to vote, exercise or convert and dispose of each security, and is entitled to receive fees based on assets under management and, subject to certain exceptions, allocations based on realized and unrealized gains on such assets.
	Partners, BVF Inc. and Mr. Lampert share voting and dispositive power over the shares of Common Stock beneficially owned by BVF, BVF2, BVLLC and ILL10.
Item 7.	Identification and Classification of the Subsidiary That Acquired the Security Being Reported on by the Parent Holding Company or Control Person.
	Not Applicable.
Item 8.	Identification and Classification of Members of the Group.
	See Exhibit 99.1.
Item 9.	Notice of Dissolution of Group.
	Not Applicable.
Item 10.	Certifications.
	By signing below each of the undersigned certifies that, to the best of its knowledge and belief, the securities referred to above were not

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acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and

are not held in connection with or as a participant in any transaction having that purpose or effect.

## **SIGNATURE**

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: July 8, 2011

BIOTECHNOLOGY VALUE FUND, L.P.

- By: BVF Partners L.P., its general partner
- By: BVF Inc., its general partner
- By: /s/ Mark N. Lampert Mark N. Lampert President

BIOTECHNOLOGY VALUE FUND II, L.P.

- By: BVF Partners L.P., its general partner
- By: BVF Inc., its general partner
- By: /s/ Mark N. Lampert Mark N. Lampert President

BVF INVESTMENTS, L.L.C.

- By: BVF Partners L.P., its manager
- By: BVF Inc., its general partner
- By: /s/ Mark N. Lampert Mark N. Lampert President

INVESTMENT 10, L.L.C.

- By: BVF Partners L.P., its investment manager
- By: BVF Inc., its general partner
- By: /s/ Mark N. Lampert Mark N. Lampert President

#### BVF PARTNERS L.P.

- By: BVF Inc., its general partner
- By: /s/ Mark N. Lampert Mark N. Lampert President

## BVF INC.

By: /s/ Mark N. Lampert Mark N. Lampert President

> /s/ Mark N. Lampert MARK N. LAMPERT

## Joint Filing Agreement

The undersigned hereby agree that the Statement on Schedule 13G dated July 8, 2011 with respect to the shares of Common Stock of A.P. Pharma, Inc., and any further amendments thereto executed by each and any of the undersigned shall be filed on behalf of each of the undersigned pursuant to and in accordance with the provisions of Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended.

Dated: July 8, 2011

BIOTECHNOLOGY VALUE FUND, L.P.

- By: BVF Partners L.P., its general partner
- By: BVF Inc., its general partner
- By: /s/ Mark N. Lampert Mark N. Lampert President

BIOTECHNOLOGY VALUE FUND II, L.P.

- By: BVF Partners L.P., its general partner
- By: BVF Inc., its general partner
- By: /s/ Mark N. Lampert Mark N. Lampert President

BVF INVESTMENTS, L.L.C.

- By: BVF Partners L.P., its manager
- By: BVF Inc., its general partner
- By: /s/ Mark N. Lampert

Mark N. Lampert President INVESTMENT 10, L.L.C.

- By: BVF Partners L.P., its investment manager
- By: BVF Inc., its general partner
- By: /s/ Mark N. Lampert Mark N. Lampert President

## BVF PARTNERS L.P.

- By: BVF Inc., its general partner
- By: /s/ Mark N. Lampert

Mark N. Lampert President

## BVF INC.

By: /s/ Mark N. Lampert Mark N. Lampert President

> /s/ Mark N. Lampert MARK N. LAMPERT