

## Murphy Oil Announces Second Quarter Earnings Guidance and Drilling Results

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EL DORADO, Ark., Jul 10, 2002 (BUSINESS WIRE) -- Murphy Oil Corporation (NYSE:MUR) expects results for the second quarter of 2002 to be between a loss of \$.05 per share and earnings of \$.15 per share. This estimate is based on expected average production during the quarter of 132,000 barrels a day and sales of 138,000 barrels a day on an oil equivalent basis. The estimate includes a projected loss from downstream operations of approximately \$8 million due to the continued depressed refining margins experienced throughout most of the quarter, in addition to an unsuccessful well at The Experience (100%) prospect in the deepwater Gulf of Mexico. Total exploration expenses for the quarter should range from \$62 million to \$75 million. Claiborne Deming, Murphy's President and Chief Executive Officer commented, "The ramp up in production from the Terra Nova field has far exceeded our expectations and is the primary driver of our strong production increase this quarter. While bottom line results are not as we had hoped due to disappointments in our exploratory drilling program, we recognize these setbacks as part of the business and will continue to drill our inventory of high quality prospects. With that in mind, a well at the Quatrain prospect (37.5%), located near our Front Runner and Front Runner South discoveries, is currently drilling and results are expected during the third quarter."

The Experience wildcat well, located in Green Canyon Block 300, was drilled to a total depth of 18,691 feet and will be plugged and abandoned. Estimated costs of \$17 million pre-tax will be recognized during the second quarter. Additionally, wells currently drilling at Kikeh (80%) on Block K in Malaysia and Annapolis (19%) offshore Eastern Canada have combined exposure of approximately \$13 million pre-tax applicable to the second quarter.

Earnings may vary based on prices, volumes and the timing of actual liftings of some of our United Kingdom and Canadian crude oil production.

The forward-looking statements reflected in this release are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. No assurance can be given that the results discussed herein will be attained, and certain important factors that may cause actual results to differ materially are contained in Murphy's January 15, 1997 Form 8-K report on file with the U.S. Securities and Exchange Commission.

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