

## Murphy Oil Reviews Conference Call

August 1, 2000 12:50 PM ET

EL DORADO, AR – Claiborne P. Deming, President and Chief Executive Officer of Murphy Oil Corporation (NYSE “MUR”), provided an update of operating activities to the investment community and media representatives during a conference call on July 27, 2000. Highlights of the review of operations during the conference call follow:

### Exploration and Production

- In the Gulf of Mexico deep water, Murphy’s exploration program will accelerate as five wells are slated to commence by year-end. The Cumberland prospect, located in Green Canyon Block 297 (37.5%), should spud in early August. Targeting a reserve size of 30-60 million barrels of oil equivalent, a discovery at Cumberland could be quickly tied in to the nearby Allegheny platform, where processing capacity is available. A September spud date is scheduled at the Murphy-operated Locomotion prospect at Garden Banks Block 562 (37%), located at the head of the mini-basin south of the Auger basin. Pre-drill reserve estimates are 100-125 million barrels of oil equivalent. Additional wells at Sidewinder at Green Canyon Block 25 (42.5%) and Moccasin at Garden Banks Blocks 253/297 (37.5%) should spud in the late third quarter or early fourth quarter. Moccasin would target multiple pay zones with reserve potential of 150-225 million barrels of oil equivalent. A prospect recently added to Murphy’s drilling list is Stonemaker (80%) at Mississippi Canyon Block 493, which lies northwest of Murphy’s Medusa (60%) discovery. Set to spud in the fourth quarter, Stonemaker, if successful, would help Murphy assess requirements for the Medusa development, which is on target for first production in mid-2002.

- Internationally, Murphy intends to be very active in western Canada as winter freeze-up approaches. In the Foothills of Alberta and British Columbia, Murphy plans to spud a well in the Antler area (100%) in August/September that would target reserve sizes of 60-70 billion cubic feet of natural gas. At Chicken Creek, where Murphy has a 33.3% working interest in a well producing 25 million gross cubic feet of natural gas a day, the Company plans to drill up to three prospects with working interests ranging from 33.3% to 50%. Additionally, Murphy plans to spud a well at Cabin Creek (50%) targeting 125-150 billion cubic feet of natural gas, and on the Devonian Reef play, up to eight wells are scheduled to follow up the recent Ladyfern discovery. By the end of the year, 3-D seismic surveys will have been shot over most of Murphy’s acreage on the Scotian Shelf. Discussions are ongoing with partners concerning the location and timing of drilling a well to test the carbonate play near a recent discovery. In the deepwater trend, a well at Annapolis (20%), southeast of Sable Island, will likely spud toward mid-2001. At Southhampton (25%), located due south of Sable Island, Murphy plans to spud a well late next year. In Malaysia, a well is planned during the fourth quarter on one of Murphy’s shallow-water blocks offshore Sarawak. This well, targeting reserve potential of 30-40 million barrels of oil equivalent, would spud in approximately 100 feet of water targeting both oil and natural gas objectives. In May, 2-D seismic surveys were shot over Murphy’s deepwater Block K to high-grade areas of opportunity in advance of 3-D seismic surveys scheduled for 2001. Murphy anticipates drilling a well on the deepwater acreage in late 2001.

- For 2000, Murphy’s production of natural gas should average approximately 150 million cubic feet a day in the United States and 65 million in Canada. The Company has agreed to terms for the sale of miscellaneous lower-end Canadian properties producing approximately 500 barrels of oil and two million cubic feet of natural gas a day in an effort to streamline its portfolio in western Canada and eliminate over 500 high-operating-cost wells.

### Refining, Marketing and Transportation

- Currently, margins at Murphy’s Meraux, Louisiana refinery are slightly better than break-even, while margins at the Superior, Wisconsin, refinery are in the \$3.00 a barrel range due to a robust asphalt season in the Midwest. Margins at Murphy’s Milford Haven, Wales refinery (30%) are approximately \$5.00 a barrel.

- Murphy’s Wal-Mart program continues at a healthy clip with nearly 200 stations currently in operation, 40 under construction and numerous others in the engineering and permitting stages. Retail margins are improving and are currently quite healthy.

- Seeking greater control over operations in western Canada, Murphy has purchased the 47.5% minority working interest in the Manito pipeline system.

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 SEC.

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 SEC.

For More Information

**Barry Jeffery**

Investor/ Media Relations

P.O. Box 7000

El Dorado, AR 71731-7000

(870) 864-6501