

## **Murphy Oil Replaces 154% of Production in 1999**

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EL DORADO, AR - Murphy Oil Corporation (NYSE:MUR) announced today that it increased proved reserves for the ninth consecutive year by adding 60 million barrels of oil equivalent (BOE), equal to 154% of worldwide hydrocarbon production in 1999, at a finding and development cost of \$4.96 per BOE. At year-end, the Company's proved reserves totaled a Company record 401 million BOE, an increase of over 5% from the year-end 1998 level, and would support 10.3 years of production at current rates.

Claiborne P. Deming, President and Chief Executive Officer, noted, "Murphy's production reached record levels in 1999, benefiting from a 12% increase in crude oil and liquids production, while natural gas volumes increased 4% over 1998. Increased output from the Hibernia (6.5%) field offshore eastern Canada, and the Schiehallion (5.9%) and Mungo/Monan (12.7%) fields offshore the United Kingdom were the primary contributors." Deming added, "In 2000, over 70% of Murphy's capital budget will be devoted to worldwide upstream activities, with exploration focused on the deepwater Gulf of Mexico. Our drilling program includes numerous high-impact exploration prospects with the potential to complement the underlying strength and stability provided by our core 'legacy properties'. Two such core properties, Terra Nova (12%) and Syncrude (5%), will require substantial development capital this year for final construction taking place on the Terra Nova facility and the Phase II expansion of the Aurora mine at Syncrude. These two projects will furnish a significant boost to Company production levels starting next year. Murphy's solid base of quality properties, coupled with our high-impact drilling program in the deepwater Gulf, should deliver the future, profitable growth necessary to continually add value and increase returns for our shareholders."

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 on file with the SEC.

For More Information

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