

## Murphy Oil Issues Exploration Activity Update

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EL DORADO, AR - Murphy Oil Corporation (Murphy) (NYSE: MUR) provided today an operational update on worldwide exploration activity.

Gulf of Mexico and Onshore South Louisiana – A well in Green Canyon Block 297 (Cumberland, 37.5%) is drilling at intermediate depths targeting a reserve size of 35-60 million barrels of oil equivalent. If successful, this well could be quickly tied in to the nearby Allegheny platform, which has excess processing capacity. Results from Cumberland should be available by mid-October. A high potential well in Garden Banks Blocks 253/297 (Moccasin, 37.5%), with pre-drill reserve estimates of 100-250 million barrels of oil equivalent, should spud in early November. An exploratory well in Garden Banks Block 562 (Locomotion, 37%) was drilled to a total measured depth of 19,831 feet, and is being temporarily abandoned. Prospecting for natural gas, the Zaunbrecher well (75%) located in Vermilion Parish, Louisiana, is drilling at intermediate depths and results should be available by mid to late October.

International – In Malaysia, a well should spud in early fourth quarter on Murphy's shallow-water Block SK309 offshore Sarawak. Two-D seismic surveys over Murphy's deepwater Block K are in processing and will be followed by a 3-D program in 2001. Murphy expects to drill a well on the deepwater acreage in late 2001. With a focus on natural gas, activity in western Canada will accelerate with the coming winter freeze-up. As many as eight wells are scheduled to follow up the recent Ladyfern discovery, and wells are also planned for the Antler, Cabin Creek and Chicken Creek areas. Seismic surveys over acreage offshore Nova Scotia are largely complete and drilling should commence in late 2000 or early 2001. The first well on the Scotian Shelf will be in shallow water near a recent discovery, followed by wells at the Southhampton (25%) and deepwater Annapolis (20%) blocks, located due south and southeast of the Sable Island complex, respectively.

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

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