

Murphy Oil Announces Successful Appraisal of the Deepwater Kikeh Discovery

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EL DORADO, Ark., Oct 8, 2002 (BUSINESS WIRE) -- Murphy Oil Corporation (NYSE:MUR) announced today that the Kikeh #2 well successfully appraised the previously announced Kikeh #1 oil discovery drilled in Block K, offshore Sabah Malaysia.

"The results from the Kikeh #2 well are excellent and confirm our enthusiasm for this significant discovery," says Claiborne P. Deming, Murphy Oil President and Chief Executive Officer. "This well was drilled approximately one mile from the discovery well and found the same five primary oil reservoirs full to base, encountering over 400 feet of net pay. We subsequently plugged back and sidetracked the well down dip where we found oil full to base in the same primary reservoirs, with only a secondary sand having an oil water contact."

The rig will now be moved to drill another appraisal well, Kikeh #3, which will be almost two miles from the Kikeh #2 well. "Our primary objective is to size this important discovery. It will also allow us to optimize our Blocks K and H drilling campaigns for next year," adds Deming.

Located in almost 4,400 feet of water, the Kikeh discovery lies in the southern part of Block K. Murphy as operator has an 80% interest in Block K and adjoining Block H, which combined cover over six million acres. Petronas Carigali Sdn Bhd, a wholly owned exploration and production arm of Petronas, holds the remaining 20%.

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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