

## Murphy Oil Announces Third Quarter Earnings Guidance and Oil Discovery in Shallow-Water Malaysia

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EL DORADO, Ark., Oct 16, 2002 (BUSINESS WIRE) -- Murphy Oil Corporation (NYSE:MUR) expects income before special items for the third quarter of 2002 to be between \$.60 per share and \$.65 per share. Expected crude oil sales volumes for the quarter are less than previously estimated due to a lifting at the Terra Nova field being delayed until early in the fourth quarter. As a result, there were no liftings at Terra Nova in the third quarter. This estimate is based on expected average production during the quarter of 118,000 barrels a day and sales of 105,000 barrels a day on an oil equivalent basis.

The estimate includes a projected loss from worldwide downstream operations of approximately \$12 to \$14 million due to continued depressed refining margins experienced throughout the quarter, particularly at the refinery in Meraux, Louisiana.

Earnings may vary based on prices, volumes and the timing of actual liftings of some of the Company's crude oil production. The Congkak #1 exploration well discovered a new oil field in Block SK 309 offshore Sarawak Malaysia. The Congkak discovery is located in 136 feet of water and is the second Murphy-operated oil discovery to be made in SK 309. The Congkak field lies three kilometers from the West Patricia field production platform, which is currently being developed with first production expected early in the second quarter of 2003.

"We are very pleased with this new discovery which further supports our belief that there are many small field development opportunities on our Sarawak acreage," says Claiborne P. Deming, Murphy Oil Corporation President and Chief Executive Officer. "We are very encouraged with our West Patricia field and view Congkak as a natural add-on to that production hub. In shallow-water Malaysia, our focus is to create additional value by exploring around this area and tying back discoveries in a timely and efficient manner," he adds.

A second exploration well drilled on the Gasing prospect as part of this program found excellent reservoir sands but was plugged and abandoned. The same rig will now move to the West Patricia field and commence development activities.

Murphy as operator has an 85% interest in Blocks SK 309 and SK 311 which combined cover over 2.2 million acres. Petronas Carigali Sdn Bhd, a wholly owned exploration and production arm of Petronas, holds the remaining 15%.

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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