

## Murphy Oil Announces Shallow-Water Malaysia Development

February 26, 2002 8:52 AM ET

EL DORADO, Ark., Feb 26, 2002 (BUSINESS WIRE) -- Murphy Oil Corporation (NYSE: MUR) is pleased to announce it has completed a three well exploration and appraisal drilling program offshore Sarawak, Malaysia, which has confirmed the commercial viability of this 85%-owned shallow-water acreage. The three wells, South Acis-5, Sepang-1 and West Patricia-5, were drilled on Block SK 309 and adjoining Block SK 311, located approximately 25 miles northwest of the coastal port of Bintulu, Sarawak, Malaysia. Murphy's wholly-owned subsidiary, Murphy Sarawak Oil Co., Ltd., operates the property, with partner PETRONAS Carigali Sdn. Bhd. holding the remaining 15% interest. PETRONAS Carigali is a wholly-owned exploration and production arm of PETRONAS.

West Patricia-5, an appraisal well located in Block SK 309, was drilled to a total depth of 4,068 feet, and encountered pay of 138 feet of net oil and 23 feet of net natural gas. West Patricia-5 is the last appraisal well drilled to confirm the commercial viability of the West Patricia field, which was discovered by Murphy/Carigali's West Patricia #2 exploration well that was drilled in January 2001. This well tested 2,900 barrels of oil per day of 37-degree gravity crude, with a gas-oil ratio of 290, from a single zone at 3,021 feet.

"The West Patricia-5 culminates our West Patricia appraisal drilling program by confirming in excess of 30 million barrels of recoverable oil," said Claiborne P. Deming, President and CEO of Murphy. "It is the best well drilled in the field to date and we are extremely pleased to be on track to have the West Patricia field on production by the first quarter of 2003."

"The establishment of a production center at West Patricia will now allow us to fully develop the surrounding acreage we currently hold," Deming added. "Plans are to drill two more exploration wells in Blocks SK 309/311 later this year and to carry out additional 3D seismic operations."

South Acis-5 was drilled in Block SK 311 to a total depth of 5,660 feet and encountered 127 net feet of natural gas pay. Further evaluation will be required to assess its commercial potential.

Sepang-1 was drilled to a total depth of 4,086 feet, but did not encounter commercial quantities of hydrocarbons. However, Sepang-1 fulfills Murphy's drilling commitment for the Block SK 309 Production Sharing Contract that was signed in January 1999.

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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