

Murphy Oil and Partners Award Front Runner Contract

March 18, 2002 4:32 PM ET

EL DORADO, Ark., Mar 18, 2002 (BUSINESS WIRE) -- Murphy Oil Corporation (NYSE:MUR) announced that its wholly owned subsidiary, Murphy Exploration & Production Company, has awarded a contract to J. Ray McDermott, Inc., a subsidiary of McDermott International, Inc. (NYSE:MDR), to construct a Floating Production System for the Front Runner Project. Murphy operates the project and owns 37.5% with partners Dominion Exploration & Production, Inc., a subsidiary of Dominion (NYSE:D), (37.5%), and Spinnaker Exploration Company (NYSE:SKE), (25%).

SparTEC, Inc., a wholly owned subsidiary of J. Ray McDermott, Inc. will be the General Contractor responsible for the Engineering, Procurement, Construction and Installation (EPCI) of the Spar.

The Front Runner partners have approved a plan for the development of the area utilizing a Truss Spar type Floating Production System. The Spar will have the capability of handling 60,000 barrels of crude oil and 110 million cubic feet of natural gas per day. The Project partners continue to evaluate export pipeline options. Targeted first production for the Project is first half of 2004.

The Front Runner Project is located in 3,500 feet of water on Green Canyon Blocks 338 and 339 in the Central Gulf of Mexico, approximately 135 miles south-southeast of Houma, Louisiana. The initial discovery well reached a total depth of 22,925 feet in March 2001.

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.

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