MURPHY OIL CORPORATION ANNOUNCES PRELIMINARY FOURTH QUARTER AND FULL YEAR 2015 FINANCIAL AND OPERATING RESULTS

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EL DORADO, Arkansas, January 27, 2016 - Murphy Oil Corporation (NYSE: MUR) today announced its preliminary financial and operating results for the fourth quarter and full-year ended December 31, 2015, including a net loss of $587.1 million, or $3.41 per diluted share during the quarter. The net loss during the fourth quarter includes a non-cash impairment of oil and natural gas properties of $192.2 million, or $123.5 million net of tax, deepwater rig contract exit costs of $282.0 million, or $183.3 million net of tax, and recognition of a U.S. deferred tax charge of $188.5 million associated with a distribution from a foreign subsidiary. Details are provided in the fourth quarter financial results section below.

Operating and financial highlights for the quarter and full-year 2015 include:

- Produced volumes of 200,753 boepd in the fourth quarter and 207,903 boepd for full-year 2015
- Spent $2.19 billion capital in 2015, $0.11 billion below guidance of $2.3 billion
- Recorded total proved reserve replacement of 123 percent in 2015, including 10 percent Malaysian sell-down in first quarter 2015
- Achieved first production at Dalmatian South #2 in the Gulf of Mexico
- Delivered 136 Eagle Ford Shale wells during 2015, with 648 operated wells at year-end
- Reduced lease operating expense per barrel by over 18 percent year-over-year
- Lowered G&A expense by approximately 16 percent year-over-year

2015 FINANCIAL RESULTS

The net loss of $587.1 million, or $3.41 per diluted share, includes a non-cash impairment of oil and natural gas properties of $192.2 million, or $123.5 million net of taxes, as a result of further declines in market prices for future production since the end of third quarter. The non-cash property impairment primarily occurred at oil and natural gas fields in the deepwater Gulf of Mexico. The net loss also includes deepwater rig contract exit costs of $282.0 million, or $183.3 million net of taxes. The two deepwater rigs that were under contract in the Gulf of Mexico were stacked before their contract expiration dates and the remaining obligations owed in 2016 under the contracts were expensed in 2015. The rigs were stacked due to a severe drop in commodity prices causing Murphy to plan for a significantly lower capital spending program in 2016, lack of partner support for continued drilling and no available farm-out opportunities. The net loss also includes recognition of a U.S. deferred tax charge of $188.5 million associated with a $2.0 billion distribution from a foreign subsidiary to the parent in December 2015. The distribution was paid in the form of $800.0 million in cash and the remainder through a 10 year note.

The net loss from continuing operations in the fourth quarter of 2015 was $583.2 million, or $3.39 per diluted share. The company reported an adjusted loss, which excludes both the results of discontinued operations and certain other items that affect comparability of results between periods, of $130.5 million, or $0.76 per diluted share in the fourth quarter of 2015. The company realized a hedging gain of $36.8 million before tax from settled crude oil contracts and natural gas forward sales in the fourth quarter of 2015. Details for fourth quarter can be found in the attached schedules.

Earnings before interest, taxes, depreciation and amortization (EBITDA) from continuing operations in the fourth quarter 2015 totaled a negative $122.0 million, or $6.41 per barrel of oil equivalent (boe) sold, inclusive of the impact of the aforementioned $282.0 million in deepwater rig exit costs. Earnings before interest, taxes, depreciation, amortization and exploration expenses (EBITDAX) in the fourth quarter 2015 totaled $97.1 million, or $5.10 per boe sold. Both EBITDA and EBITDAX were significantly impacted by a greater than 42 percent reduction in Brent and West Texas Intermediate (WTI) oil prices between the comparative periods and the cost to exit two deepwater rig contracts in the Gulf of Mexico. Details for fourth quarter EBITDA and EBITDAX can be found in the attached schedules.

Fourth quarter 2015 production averaged nearly 200,800 barrels of oil equivalent per day (boepd), slightly ahead of our 199,000 boepd guidance, primarily due to higher natural gas production from the Montney area in Western Canada and higher production in Malaysia for Sarawak natural gas. Details for fourth quarter production can be found in the attached schedules.

"Despite a major decline in oil prices, 2015 was a good year operationally for Murphy. We increased our proved reserves even with the inclusion of the 10 percent sell-down of our Malaysian assets. The company's year-end 2015 reserves to production ratio is 10.2, up from 9.2 a year ago. Our base production and type curves onshore in the Eagle Ford Shale and Montney continue to show strong performance to our original plans. Furthermore, service costs continue to decrease in the current commodity price environment," stated Roger W. Jenkins, President and Chief Executive Officer. "We remain focused on driving down operating and G&A costs across all segments of our business. The cost reductions better position the company to weather the anticipated 'lower-for-longer' commodity price environment."

2015 FINANCIAL RESULTS

For the year-ended December 31, 2015, Murphy reported a net loss of $2,270.8 million, or $13.03 per diluted share which includes non-cash impairments of oil and natural gas properties totaling $2,493.2 million, or $1,660.0 million net of taxes. The property impairments occurred at the Seal heavy oil field in Western Canada, and oil and natural gas fields offshore Malaysia and deepwater Gulf of Mexico. The net loss also includes deepwater rig contract exit costs of $282.0 million, or $183.3 million net of taxes, and recognition of a U.S. deferred tax charge of $188.5 million associated with a distribution from a foreign subsidiary. Details on these adjustments are detailed in the fourth quarter financial results section. The company realized a hedging gain of $79.4 million before tax from settled crude oil contracts and natural gas forward sales in the full-year 2015.

The company reported an adjusted loss, which excludes both the results of discontinued operations and certain other items that affect comparability of results between periods, for the year-ended December 31, 2015 of $536.7 million, or $3.08 per diluted share.

EBITDA from continuing operations for the full-year 2015 totaled $948.1 million, or $12.38 per boe sold. EBITDAX for the same period totaled $1,419.0 million, or $18.53 per boe sold. Both EBITDA and EBITDAX were greatly impacted by a 47 percent decrease in Brent and WTI oil prices between the comparative periods and the deepwater rig contract exit costs. Details for year-to-date EBITDA and EBITDAX can be found in the attached schedules.

Production for the full-year 2015 averaged 207,903 boepd. Details for 2015 production can be found in the attached schedules.

OVERHEAD COST REDUCTIONS

Management has taken a proactive approach towards improving Murphy's efficiency and structure in direct response to the low commodity price environment. Over the course of 2015, the company announced and implemented key organizational changes including lowering staffing levels by over 20 percent and decreasing G&A expense by approximately 16 percent from 2014 levels, or $57.3 million. Full year benefits from these actions will be realized in 2016.

REGIONAL OPERATIONS SUMMARY

North American Onshore

Eagle Ford Shale - Production in the fourth quarter of 2015 averaged over 57,000 boepd with 27 operated wells brought online. Full-year 2015 production averaged over 61,200 boepd with 136 operated wells brought online.

Montney - Murphy produced over 202 million cubic feet per day (MMcfd) of natural gas in the fourth quarter 2015 and almost 194 MMcfd for the full-year. Well performance continues to exceed expectations due to new completion techniques.

Offshore

Malaysia - Sarawak natural gas production in the fourth quarter was 134 MMcfd supported by strong natural gas nominations and liquids production for all of Malaysia averaged approximately 38,000 bopd. Full-year 2015 production from Sarawak was over 121 MMcfd and liquids production for all of Malaysia was near 41,400 bopd. The Murphy operated Senyum well failed to encounter commercial quantities of hydrocarbons and was expensed as a dry hole during the quarter at a cost of $12.3 million.

Brunei - The Keratau well offshore Brunei was drilled and completed early in the fourth quarter. The well found commercial hydrocarbons in line with pre-drill estimates, thereby adding to our resources in the Kelidang field.

Gulf of Mexico - Production for the fourth quarter of 2015 was approximately 21,300 boepd with 71 percent liquids. Full-year 2015 production was nearly 24,000 boepd with 66 percent liquids.

The Dalmatian South #2 was spud during the third quarter and drilling was completed early in the fourth quarter. The well found commercial hydrocarbons in two separate zones and began producing in the fourth quarter.

Development work at the non-operated Kodiak project continues, where the first of two wells has been drilled and completed and fabrication of topside facilities is underway. First production at Kodiak is expected during the first quarter of 2016.

As previously announced, the Solomon non-operated well and the operated Thunder Bird sidetrack were both plugged and abandoned. Included in dry hole expense is $53.4 million related to the Solomon well and $107.9 million related to the Thunder Bird operations, including $19.3 million related to the original well drilled in a prior year.

LIQUIDITY AT QUARTER-END

Exclusive of capital lease obligations, Murphy had $2.83 billion of outstanding debt, consisting of $2.25 billion of long-term, fixed-rate bonds with a weighted average maturity of 9.4 years and a weighted average coupon of 4.07 percent. There was $600.0 million drawn on the $2.0 billion revolving credit facility at year end 2015. In addition, the company had cash and liquid invested securities totaling $456.0 million.

2016 CAPITAL EXPENDITURE AND PRODUCTION GUIDANCE

Murphy is planning 2016 capital expenditures for operations to be $825.0 million, which is approximately 62 percent lower than the $2.19 billion spent in 2015. Approximately, 45 percent will be allocated toward offshore, 41 percent will be allocated toward the Eagle Ford Shale and 14 percent will be allocated toward Canada onshore. At this time, the capital program for 2016 remains under review for additional downward revisions should lower commodity prices persist.

Production for the first quarter 2016 is estimated in the range of 190,000 - 194,000 boepd with full-year 2016 production to be in the range of 180,000 to 185,000 boepd. Guidance can be found in the attached schedules.

CONFERENCE CALL AND WEBCAST SCHEDULED FOR JANUARY 28, 2016

Murphy will host a conference call to discuss fourth quarter 2015 results on Thursday, January 28, 2016, at 1:00 p.m. EST. The call can be accessed either via the Internet through the Investor Relations section of Murphy Oil's website at http://ir.murphyoilcorp.com or via the telephone by dialing 1-888-631-5929. The telephone reservation number for the call is 753454. Replays of the call will be available through the same address on Murphy Oil's website, and a recording of the call will be available through February 11, 2016, by calling 1-888-203-1112 and referencing reservation number 753454. A replay of the conference call will also be available on the Murphy website at http://ir.murphyoilcorp.com.

FINANCIAL DATA

Summary financial data and operating statistics for the fourth quarter and full-year of 2015 with comparisons to 2014 are contained in the following tables. Additionally, a schedule indicating the impacts of items affecting comparability of earnings between periods and a schedule comparing EBITDA between periods are included with these tables as well as guidance for the first quarter.

ABOUT MURPHY OIL CORPORATION

Murphy Oil Corporation is a global independent oil and natural gas exploration and production company, with preliminary proved reserves of 774 million barrels of oil equivalent at year-end 2015. The Company's diverse resources base includes offshore production in Southeast Asia, Canada and Gulf of Mexico, as well as, North American onshore plays in the Eagle Ford Shale and Montney.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Words such as "targets", "expectations", "plans", "forecasts", "projections" and other comparable terminology often identify forward-looking statements. These statements, which express management's current views concerning future events or results are subject to inherent risks and uncertainties. Factors that could cause one or more of these forecasted events not to occur include, but are not limited to, a failure to obtain necessary regulatory approvals, a deterioration in the business or prospects of Murphy, adverse developments in Murphy business' markets, adverse developments in the U.S. or global capital markets, credit markets or economies in general. Factors that could cause actual results to differ materially from those expressed or implied in our forward-looking statements include, but are not limited to, the volatility and level of crude oil and natural gas prices, the level and success rate of our exploration programs, our ability to maintain production rates and replace reserves, customer demand for our products, adverse foreign exchange movements, political and regulatory instability, and uncontrollable natural hazards. For further discussion of risk factors, see Murphy's 2014 Annual Report on Form 10-K, on file with the U.S. Securities and Exchange Commission. Murphy undertakes no duty to publicly update or revise any forward-looking statements.

NON-GAAP MEASURES

This news release also contains certain historical non-GAAP measures of financial performance that management believes are good tools for internal use and the investment community in evaluating Murphy Oil Corporation's overall financial performance. These non-GAAP measures are broadly used to value and compare companies in the crude oil and natural gas industry. Please see the attached schedules for reconciliations of the differences between non-GAAP measures used in this news release and the most directly comparable GAAP financial measures.

RESERVE REPORTING TO THE SECURITIES EXCHANGE COMMISSION

The Securities and Exchange Commission (SEC) requires oil and natural gas companies, in their filings with the SEC, to disclose proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We may use certain terms in this news release, such as "resource", "gross resource", "recoverable resource", "net risked PMEAN resource", "recoverable oil", "resource base", "EUR or estimated ultimate recovery" and similar terms that the SEC's rules strictly prohibit us from including in filings with the SEC. The SEC permits the optional disclosure of probable and possible reserves; however, we have not disclosed the Company's probable and possible reserves in our filings with the SEC. Investors are urged to consider closely the disclosures and risk factors in our most recent annual report on Form 10-K and in other reports on file with the SEC, available from Murphy Oil Corporation's offices or website at http://ir.murphyoilcorp.com*.*

4Q 15 Schedules