

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): February 9, 2005

MURPHY OIL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-8590
(Commission File Number)

71-0361522
(IRS Employer
Identification No.)

200 Peach Street
P.O. Box 7000, El Dorado, Arkansas
(Address of principal executive offices)

71731-7000
(Zip Code)

Registrant's telephone number, including area code 870-862-6411

Not applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement

On February 9, 2005, Murphy Sabah Oil Co., Ltd., an indirect wholly-owned subsidiary of Murphy Oil Corporation, announced that it has awarded the Dry Tree Unit (DTU) contract for the Kikeh Area Field Development. A copy of the Company's news release announcing this is attached hereto as Exhibit 10.6.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

10.6 A news release dated February 9, 2005 announcing that Murphy Sabah Oil Co., Ltd. has awarded the Dry Tree Unit (DTU) contract for the Kikeh Area Field Development is attached hereto as Exhibit 10.6.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MURPHY OIL CORPORATION

By: /s/ John W. Eckart

John W. Eckart
Controller

Date: February 11, 2005

Exhibit Index

- 10.6 A news release dated February 9, 2005 announcing that Murphy Sabah Oil Co., Ltd. has awarded the Dry Tree Unit (DTU) contract for the Kikeh Area Field Development.

Immediately

MURPHY AWARDS SECOND KIKEH AREA DEVELOPMENT CONTRACT

El Dorado, Arkansas, February 9, 2005 – Murphy Oil Corporation (NYSE: MUR) announced that its wholly owned subsidiary Murphy Sabah Oil Co., Ltd. has awarded the Dry Tree Unit (DTU) contract for the Kikeh Area Field Development.

The contract for the DTU was awarded to Technip Marine (Malaysia) Sdn. Bhd. for the engineering, procurement, construction, installation and commissioning of the unit. A Spar hull will be used for the dry well support structure and will be capable of holding 25 wells. The Spar will be delivered to the Kikeh field in late 2006 and will hold a tender assisted drilling rig to drill and complete the Kikeh wells.

All construction for the DTU will take place at Malaysia Shipyard and Engineering Sdn. Bhd.

“This represents yet another contract award made on schedule for the Kikeh Development,” said Claiborne P. Deming, Murphy Oil Corporation President and Chief Executive Officer. “We are eager to begin construction of the first ultra deepwater DTU to be used in Malaysia.”

The Kikeh Development has a recoverable reserve base in excess of 400 million barrels with associated expansion ability. Future announcements will continue to be made on the remaining portions of the field architecture.

The Kikeh Development is located in offshore Block K Malaysia which is operated by Murphy with an 80% working interest. PETRONAS Carigali Sdn. Bhd., a wholly owned exploration and production company 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.

#####