

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. )

Filed by the Registrant  [x]

Filed by a Party other than the Registrant  [ ]

Check the appropriate box:

[ ] Preliminary Proxy Statement  [ ] CONFIDENTIAL, FOR USE OF THE  
COMMISSION ONLY (AS PERMITTED BY  
RULE 14A-6(E)(2))

[x] Definitive Proxy Statement

[ ] Definitive Additional Materials

[ ] Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

MURPHY OIL CORPORATION

-----  
(Name of Registrant as Specified In Its Charter)

MURPHY OIL CORPORATION

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] \$125 per Exchange Act Rules 0-11(c)(1)(ii), 14a-6(i)(1), 14a-6(i)(2)  
or Item 22(a)(2) of Schedule 14A.

[ ] \$500 per each party to the controversy pursuant to Exchange Act Rule  
14a-6(i)(3).

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed  
pursuant to Exchange Act Rule 0-11 (Set forth the amount on which  
the filing fee is calculated and state how it was determined):

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Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee  
was paid previously. Identify the previous filing by registration statement  
number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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Notes:

[SPUR LOGO APPEARS HERE] [MURPHY OIL CORPORATION LOGO APPEARS HERE]

NOTICE OF ANNUAL MEETING

To the Stockholders of Murphy Oil Corporation:

The Annual Meeting of Stockholders of Murphy Oil Corporation will be held at the South Arkansas Arts Center, 110 East 5th Street, El Dorado, Arkansas, on Wednesday, May 10, 1995, at 10:00 a.m., local time, for the following purposes:

To elect directors to serve for the ensuing year.

To express approval or disapproval of the action of the Board of Directors in appointing KPMG Peat Marwick LLP as the Company's independent auditors for 1995.

To transact such other business as may properly come before the meeting.

Only stockholders of record at the close of business on March 13, 1995, the record date fixed by the Board of Directors of the Company, will be entitled to notice of and to vote at the meeting or any adjournment thereof. A list of all stockholders entitled to vote is on file at the offices of the Company, 200 Peach Street, El Dorado, Arkansas 71730.

Please sign, date and return the enclosed proxy card promptly.

R. Madison Murphy  
Chairman of the  
Board

Claiborne P. Deming  
President and Chief  
Executive Officer

El Dorado, Arkansas  
April 5, 1995

PROXY STATEMENT

SOLICITATION

April 5, 1995

The solicitation of the enclosed proxy is made on behalf of the Board of Directors of the Company for use at the Annual Meeting of Stockholders to be held on May 10, 1995. It is expected that this Proxy Statement and related materials will first be mailed to stockholders on or about April 5, 1995.

The address of the Company's Executive Offices is 200 Peach Street, P.O. Box 7000, El Dorado, Arkansas 71731-7000.

VOTE REQUIRED FOR APPROVAL

The affirmative vote of a majority of the shares present in person or represented by proxy at the meeting is required for approval of matters presented to the meeting. Your executed proxy will be voted at the meeting, unless you revoke it at any time before the vote by filing with the Secretary of the Company an instrument revoking it, duly executing a proxy card bearing a later date, or appearing at the meeting and voting in person. Proxies returned to the Company, votes cast other than in person, and written revocations will be disqualified if received after commencement of the meeting.

Votes cast by proxy or in person at the meeting will be counted by the persons appointed by the Company to act as election inspectors for the meeting. The election inspectors will treat shares represented by properly signed and returned proxies that reflect abstentions as shares that are present and entitled to vote for purposes of determining the presence of a quorum and for purposes of determining the outcome of any matter submitted to the stockholders for a vote. Abstentions, however, do not constitute a vote "for" or "against" any matter and thus will be disregarded in the calculation of "votes cast."

The election inspectors will treat shares referred to as "broker non-votes" (i.e., shares held by brokers or nominees as to which instructions have not been received from the beneficial owners or persons entitled to vote that the broker or nominee does not have discretionary power to vote on a particular matter) as shares that are present and entitled to vote for purposes of determining the presence of a quorum. However, for purposes of determining the outcome of any matter as to which the broker has physically indicated on the proxy that it does not have discretionary authority to vote, those shares will be treated as not present and not entitled to vote

with respect to that matter (even though those shares are considered entitled to vote for quorum purposes and may be entitled to vote on other matters).

Unless specification to the contrary is made, the shares represented by the enclosed proxy will be voted FOR all the nominees for director; and FOR the confirmation of the appointment of KPMG Peat Marwick LLP as the Company's independent auditors.

VOTING SECURITIES

On March 13, 1995, the record date for the meeting, the Company had outstanding 44,808,672 shares of Common Stock, all of one class and each share having one vote in respect of all matters to be voted on at the meeting. This amount does not include 3,942,868 shares of treasury stock. Information as to the amount of Common Stock owned by directors and officers and certain others appears in the table under the heading "Certain Stock Ownership".

ELECTION OF DIRECTORS

The Bylaws of the Company provide for ten directors to be elected on May 10, 1995. The Bylaws also provide that the directors elected at each Annual Meeting of Stockholders shall serve until their successors are elected and qualified.

To the extent authorized by the proxies, the shares represented by the proxies will be voted in favor of the election as directors of the ten nominees whose names are set forth below. If for any reason any of these nominees is not a candidate when the election occurs, the shares represented by such proxies will be voted for the election of the other nominees named and may be voted for any substituted nominees. However, management of the Company does not expect this to occur. All of management's nominees were elected at the last Annual Meeting of stockholders. The names of the nominees and certain information as to them are as follows:

NAME AND AGE	PRINCIPAL OCCUPATION OR EMPLOYMENT (FOR MORE THAN THE PAST FIVE YEARS UNLESS OTHERWISE STATED)	DIRECTOR SINCE	OTHER PUBLIC COMPANY DIRECTORSHIPS
B.R.R. Butler*# London, England Age: 65	Managing Director, Retired, of The British Petroleum Company PLC, a major international oil company from 1986 to March 1, 1991.	1991	KS Biomedix PLC Guildford, England

NAME AND AGE	PRINCIPAL OCCUPATION OR EMPLOYMENT (FOR MORE THAN THE PAST FIVE YEARS UNLESS OTHERWISE STATED)	DIRECTOR SINCE	OTHER PUBLIC COMPANY DIRECTORSHIPS
Claiborne P. Deming(S) El Dorado, Arkansas Age: 40	President and Chief Executive Officer of the Company since October 1, 1994, Executive Vice President and Chief Operating Officer of the Company from March 1, 1992 to October 1, 1994, President of Murphy Oil USA, Inc. from July 1, 1989 to March 1, 1992.	1993	First United Bancshares, Inc. El Dorado, Arkansas
H. Rodes Hart(S) ** Nashville, Tennessee Age: 63	Chairman and Chief Executive Officer, Franklin Industries Inc., engaged in the manufacture of brick and industrial minerals, President and Chief Executive Officer of Franklin Industries Inc. from 1967 to February 1, 1992.	1975	None
Vester T. Hughes, Jr.+*# Dallas, Texas Age: 66	Partner, Hughes & Luce, Attorneys.	1973	None
C. H. Murphy, Jr.(S)* El Dorado, Arkansas Age: 75	Chairman of the Board of the Company from June 1, 1972 to October 1, 1994.	1950	First Commercial Corporation Little Rock, Arkansas
Michael W. Murphy(S)+* El Dorado, Arkansas Age: 47	President, Marmik Oil Company, engaged in exploration for and production of oil and gas. Chairman and Chief Executive Officer of Murphy-Graham, Inc. and President, Murphy Motor Co., engaged in automobile dealerships.	1977	First Commercial Corporation Little Rock, Arkansas
R. Madison Murphy(S) El Dorado, Arkansas Age: 37	Chairman of the Board of the Company since October 1, 1994, Executive Vice President and Chief Financial and Administrative Officer of the Company from March 1, 1992 to October 1, 1994, Chief Administrative position added February 3, 1993, Vice President, Planning of the Company from February 1, 1988 to March 1, 1992, also held additional office of Treasurer of the Company from July 1, 1990 to August 1, 1991.	1993	First United Bancshares, Inc. El Dorado, Arkansas
William C. Nolan, Jr.(S)+*# El Dorado, Arkansas Age: 55	Partner, Nolan and Alderson, Attorneys.	1977	First Commercial Corporation Little Rock, Arkansas
Caroline G. Theus** Alexandria, Louisiana Age: 51	President, Inglewood Land and Development Company, a farming and land holding corporation.	1985	None

NAME AND AGE	PRINCIPAL OCCUPATION OR EMPLOYMENT (FOR MORE THAN THE PAST FIVE YEARS UNLESS OTHERWISE STATED)	DIRECTOR SINCE	OTHER PUBLIC COMPANY DIRECTORSHIPS
Lorne C. Webster+* Montreal, Quebec, Canada Age: 66	Chairman & Chief Executive Officer of Prenor Group Ltd., a financial services corporation.	1989	Bankmont Financial Corp. Chicago, Illinois H. B. Fuller Company St. Paul, Minnesota

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(S) Executive Committee  
+ Audit Committee  
\* Executive Compensation and Nominating Committee  
# Public Policy and Environmental Committee

Claiborne P. Deming, C. H. Murphy, Jr., Michael W. Murphy, R. Madison Murphy, William C. Nolan, Jr. and Caroline G. Theus are all related by blood. Michael W. Murphy and R. Madison Murphy are the sons of C. H. Murphy, Jr. Claiborne P. Deming and William C. Nolan, Jr. are nephews of C. H. Murphy, Jr., and Caroline G. Theus is a niece of C. H. Murphy, Jr. These six nominees, their spouses, and members of their immediate families directly or indirectly own in the aggregate approximately 25% of the outstanding Common Stock of the Company and may be considered the controlling persons of the Company. See also "Certain Stock Ownerships".

#### COMMITTEES

The standing committees of the Board of Directors are the Executive Committee, the Audit Committee, the Executive Compensation and Nominating Committee, and the Public Policy and Environmental Committee. The Executive Committee is empowered to exercise certain functions of the Board of Directors when the Board is not in session. The Audit Committee's functions include supervision and review of the results and scope of the work of the Company's independent auditors and the Company's internal Audit Division. This committee meets with representatives of the independent auditors and with members of the internal Audit Division for these purposes. The Executive Compensation and Nominating Committee administers the Company's Stock Incentive Plan and reviews generally the compensation of all executive and key personnel of the Company and subsidiaries. This committee specifically determines the compensation of the Chairman of the Board, the President, and certain other officers.

Other duties and authority of the Executive Compensation and Nominating Committee, as fixed by the Board of Directors, are as follows:

"The Executive Compensation and Nominating Committee shall have the power to: propose and consider suggestions as to candidates for membership on the Board; review and propose to the Board criteria for Board membership and responsibilities; periodically recommend to the Board candidates for vacancies on the Board due to resignations or retirements or due to such standards for composition of Board membership as may from time to time legally prevail; review and recommend to the Board such modifications to the prevailing Board of Directors retirement policy as may be deemed appropriate in light of contemporary standards; and propose to the Board on or before the February meeting of each year a slate of directors for submission to the stockholders at the annual meeting."

Stockholders desiring to recommend for consideration by the Executive Compensation and Nominating Committee candidates for membership on the Board of Directors should address their recommendations to: Executive Compensation and Nominating Committee of the Board of Directors, c/o Secretary, Murphy Oil Corporation, P.O. Box 7000, El Dorado, Arkansas 71731-7000.

In May 1994, the Board established the Public Policy and Environmental Committee. This committee is to review and provide oversight of the Company's environmental, health and safety compliance policies, programs and practices.

#### Meetings and Attendance

During 1994 there were seven meetings of the Board of Directors, sixteen meetings of the Executive Committee, two meetings of the Audit Committee, and four meetings of the Executive Compensation and Nominating Committee. All nominees except Michael W. Murphy attended a minimum of 75% of the total number of meetings of the Board of Directors and committees on which they served.

#### Compensation of Directors

The Company has a standard arrangement for compensation of directors who are not also employees of the Company. Under this arrangement non-employee directors are compensated at the rate of \$20,000 per annum plus \$1,000 for each meeting attended of the Board, the Audit Committee, the Executive Compensation and Nominating Committee, and the Public Policy and Environmental Committee. The Chairman of the Board is paid \$70,000 per annum. No compensation is paid for attendance at meetings of the Executive Committee. The Company also



reimburses directors for travel, lodging and related expenses they incur in attending Board and committee meetings.

The Company adopted a retirement plan for outside directors (the "Director Retirement Plan") effective May 1, 1994. The Director Retirement Plan provides a retirement benefit to any nonemployee director who has served as a director with at least five (5) years of service if retirement occurs at or after the age of 72, or with at least ten (10) years of service if retirement occurs prior to the age of 72. The Director Retirement Plan will pay an annual benefit equal to the annual retainer in effect at the time of the director's retirement. Benefits will be paid for a period equal to years of service. Payment of retirement benefits will be in the form of quarterly payments which will commence on the first day of the calendar quarter following the later of the director's attainment of age 65 or actual retirement from the Board. If a director dies prior to retirement from the Board, no benefits will be paid under this plan. In the event a director dies after retirement from the Board, benefits will be paid to the surviving spouse, but in no event will the total of such benefits exceed ten (10) years. If there is no surviving spouse, no benefits will be paid to any other party, beneficiary or estate.

#### CERTAIN STOCK OWNERSHIPS

The following table and related text sets forth information, by the categories listed, concerning ownership of Common Stock of the Company at February 1, 1995 with respect to each director or nominee, directors, nominees and officers as a group, and each person known to the Company to own as much as 5% of the Company's Common Stock.

NAME	TYPE OF OWNERSHIP				VOTING AND INVESTMENT POWER ONLY, AND NOT INCLUDED IN OTHER COLUMNS(2)	SUBJECT TO OPTIONS EXERCISABLE WITHIN 60 DAYS	TOTAL	PERCENT OF OUTSTANDING (IF GREATER THAN .09)
	PERSONAL, WITH FULL VOTING AND INVESTING POWER	PERSONAL, AS BENEFICIARY OF TRUST(S)	SPOUSE AND OTHER HOUSEHOLD MEMBERS(1)					
B. R. R. Butler.....	2,000	--	--	--	--	2,000	--	
Claiborne P. Deming.....	107,989	382,384	84,434	464,980	25,000	1,064,787	2.4	
H. Rodes Hart.....	--	--	--	285,393	--	285,393	--	
Vester T. Hughes, Jr....	3,474	--	--	--	--	3,474	--	
C. H. Murphy, Jr.....	1,188,361	--	3,036	2,697,312	--	3,888,709	8.7	
Michael W. Murphy.....	137,195	406,696	58,259	10,305	--	612,455	1.4	
R. Madison Murphy.....	112,111	610,862	81,536	406,877	2,500	1,213,886	2.7	
William C. Nolan, Jr....	163,003	130,798	500	484,196	--	778,497	1.7	
Caroline G. Theus.....	106,725	161,342	13,378	144,329	--	426,246	1.0	
Lorne C. Webster.....	2,100	--	--	--	--	2,100	--	
All directors together with six officers as a group.....	1,856,062	1,692,082	241,859	4,493,392	61,287	8,344,682	19.3	

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- (1) Includes shares directly owned and shares owned as beneficiary of trusts.
- (2) Includes shares held as trustee for others and shares owned by a corporation or other organization of which the named person is an officer.

Under the securities laws of the United States, the Company's directors and its executive officers are required to report their ownership of the Company's common stock and any changes in that ownership to the Securities and Exchange Commission and the New York Stock Exchange. Specific due dates for these reports have been established and the Company is required to report in this proxy statement any failure to file by these dates during 1994. All of the director and officer filing requirements were satisfied during the relevant period. In making this statement, the Company has relied on the written representations of its incumbent directors and officers and copies of the reports that they have filed with the Commission.

The only persons or entities known to the Company to be the owner of more than 5% of the Company's outstanding stock, other than C. H. Murphy, Jr., 200 Jefferson Avenue, El Dorado, Arkansas, whose holdings are described above, are: First United Bancshares, Inc., Main at Washington Streets, El Dorado, Arkansas; and FMR Corp., 82 Devonshire Street, Boston, Massachusetts. First United Bancshares, Inc. has advised the Company that it exercises voting or investment power over 2,545,778 shares of the Company's Common Stock, representing 5.7% of the total outstanding. FMR Corp. has advised the Company that it exercises voting and investment power over 6,175,200 shares of the Company's Common Stock representing 13.77% of the total outstanding.

## EXECUTIVE COMPENSATION

The following table sets forth information with respect to all individuals who served as the Company's chief executive officer during 1994; the four other most highly compensated executive officers of the Company at the end of 1994; and an additional individual who would have been included in the list of the four other most highly compensated executive officers had he been serving as an executive officer at the end of 1994:

SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION	YEAR	SALARY (\$)(1)	BONUS (\$)(2)	OTHER ANNUAL COMPEN- SATION (\$)	LONG-TERM COMPENSATION			ALL OTHER COMPEN- SATION (\$)(4)
					RESTRICTED STOCK AWARD(S) (\$)	SECURITIES UNDERLYING OPTIONS (#)	PAYOUTS LTIP PAYOUTS (\$)	
Claiborne P. Deming President and Chief Executive Officer, Murphy Oil Corporation	1994	\$330,840	\$ 74,873	--	\$141,750	6,500	--	\$25,132
	1993	292,500	110,000	--	--	7,000	--	19,721
	1992	239,168	55,000	--	124,688	7,000	--	12,684
Enoch L. Dawkins President, Murphy Exploration & Production Company (a 100% subsidiary)	1994	241,668	45,000	--	91,125	4,000	--	18,152
	1993	233,250	60,000	--	--	4,000	--	15,512
	1992	224,588	45,000	--	89,063	5,000	--	11,954
Herbert A. Fox, Jr. Vice President, Murphy Oil Corporation	1994	216,670	65,000	--	70,875	2,750	--	15,438
	1993	197,505	35,000	--	--	3,000	--	12,781
	1992	183,340	20,000	--	62,344	3,000	--	9,890
Steven A. Cosse Senior Vice President and General Counsel, Murphy Oil Corporation	1994	185,335	33,500	--	50,625	2,250	--	12,738
	1993	166,670	42,500	--	--	2,500	--	10,613
	1992	144,169	24,000	--	44,531	2,000	--	7,926
Clefton D. Vaughan Vice President, Murphy Oil Corporation	1994	190,172	21,000	--	50,625	2,000	--	13,611
	1993	183,828	30,000	--	--	2,000	--	12,097
	1992	177,792	30,000	--	62,344	3,000	--	9,612
Jack W. McNutt President and Chief Executive Officer, Murphy Oil Corporation until October 1, 1994	1994	399,172	106,941	--	--	--	--	28,282
	1993	507,500	240,000	--	--	10,000	--	33,595
	1992	477,500	180,000	--	213,750	10,000	--	24,595
R. Madison Murphy Chairman of the Board of the Company; Executive Vice President and Chief Financial and Administrative Officer, Murphy Oil Corporation until October 1, 1994	1994	193,337	40,276	--	101,250	5,500	--	15,821
	1993	242,508	110,000	--	--	6,000	--	15,973
	1992	192,508	55,000	--	89,063	5,000	--	10,344

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- (1) Includes amounts of cash compensation earned and received by executive officers as well as amounts earned but deferred at the election of those officers.
  - (2) Bonuses were awarded and paid in February or March of the following year.
  - (3) Represents the closing stock price of unrestricted stock on date of grant (\$40.50 May 2, 1994 and \$35.625 on May 13, 1992) times the number of restricted shares granted. Dividends are being paid on restricted stock at the same rate paid to all shareholders. Awards are subject to performance based conditions and are forfeited if grantee terminates for any reason other than retirement, death or full disability. None of the restricted stock awards vest in under three years from the date of grant. On December 31, 1994, Mr. Deming held a total of 7,000 restricted shares having a then current value of \$297,500; Mr. Dawkins held a total of 4,750 restricted shares having a then current value of \$201,875; Mr. Fox held a total of 3,500 restricted shares having a then current value of \$148,750; Mr. Cosse held a total of 2,500 restricted shares having a then current value of \$106,250; Mr. Vaughan held a total of 3,000 restricted shares having a then current value of \$127,500; Mr. McNutt held a total of 6,000 restricted shares having a then current value of \$255,000; Mr. Murphy held a total of 5,000 restricted shares having a then current value of \$212,500.
  - (4) The total amounts shown in this column for 1994 consist of the following:  
Mr. Deming: \$7,963--Dividends on restricted stock; \$16,545--Company contributions to defined contribution plan; \$624--Benefit attributable to Company-owned term life insurance policy. Mr. Dawkins: \$5,444--Dividends on restricted stock; \$12,087--Company contributions to defined contribution plan; \$624--Benefit attributable to Company-owned term life insurance policy. Mr. Fox: \$3,981--Dividends on restricted stock; \$10,833--Company contributions to defined contribution plan; \$624--Benefit attributable to Company-owned term life insurance policy. Mr. Cosse: \$2,844--Dividends on restricted stock; \$9,270--Company contributions to defined contribution plan; \$624--Benefit attributable to Company-owned term life insurance policy. Mr. Vaughan: \$3,494--Dividends on restricted stock; \$9,493--Company contributions to defined contribution plan; \$624--Benefit attributable to Company-owned term life insurance policy. Mr. McNutt: \$7,800--Dividends on restricted stock; \$19,957--Company contributions to defined contribution plan; \$525--Benefit attributable to Company-owned term life insurance policy. Mr. Murphy: \$5,688--Dividends on restricted stock; \$9,665--Company contributions to defined contribution plan; \$468--Benefit attributable to Company-owned term life insurance policy.

OPTION EXERCISES AND FISCAL YEAR-END VALUES

Shown below is information with respect to stock options exercised in fiscal 1994 and the fiscal year-end value of unexercised options for each officer and former officers listed in the compensation table (Named Executives).

AGGREGATED OPTION EXERCISES IN LAST FISCAL YEAR  
AND FY-END OPTION VALUES

NAME	SHARES		NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTION AT FY-END (#)		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT FY-END (\$)(6)	
	ACQUIRED ON EXERCISE (#)	VALUE REALIZED (\$)	EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
Claiborne P. Deming.....	--	--	18,000	17,000	\$127,469	\$82,938
Enoch L. Dawkins.....	500	\$ 22,469(1)	--	10,500	--	51,406
Herbert A. Fox, Jr.....	1,847	88,771(2)	7,000	7,250	30,594	35,453
Steven A. Cosse.....	218	10,532(3)	1,000	5,750	6,563	27,797
Cleifton D. Vaughan.....	877	42,370(4)	11,500	5,500	64,219	27,344
Jack W. McNutt.....	3,272	143,223(5)	20,000	--	127,500	--
R. Madison Murphy.....	--	--	14,000	--	93,844	--

- (1) Represents gross value of 2,500 stock options surrendered for net value in shares (500 shares at \$44.9375 per share).
- (2) Represents gross value of 4,500 stock options surrendered for net value in shares (1,847 shares at \$48.0625 per share).
- (3) Represents gross value of 687 stock options surrendered for net value in shares (218 shares at \$48.3125 per share).
- (4) Represents gross value of 2,000 stock options surrendered for net value in shares (877 shares at \$48.3125 per share).
- (5) Represents gross value of 20,000 stock options surrendered for net value in shares (2,532 shares at \$42.50 per share and 740 shares at \$48.125 per share).
- (6) Represents market value of underlying securities at year-end less the exercise price.

OPTION GRANTS

Shown below is further information on grants of stock options pursuant to the 1992 Stock Incentive Plan during the fiscal year ended December 31, 1994, to the officers and former officers of the Company listed in the compensation table.

OPTION GRANTS IN LAST FISCAL YEAR

INDIVIDUAL GRANTS

NAME	NUMBER OF SECURITIES UNDERLYING OPTIONS GRANTED (#)(1)(2)	% OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE OR BASE PRICE (\$/SH)	EXPIRATION DATE	GRANT DATE PRESENT VALUE (\$)(3)
Claiborne P. Deming.....	6,500	9.35%	\$39.9375	03/02/2004	\$79,105
Enoch L. Dawkins.....	4,000	5.76%	39.9375	03/02/2004	48,680
Herbert A. Fox, Jr.....	2,750	3.96%	39.9375	03/02/2004	33,468
Steven A. Cosse.....	2,250	3.24%	39.9375	03/02/2004	27,383
Cleifton D. Vaughan.....	2,000	2.88%	39.9375	03/02/2004	24,340
Jack W. McNutt.....	--	--	--	--	--
R. Madison Murphy (4)...	5,500	7.91%	39.9375	03/02/2004	66,935

(1) No stock appreciation rights were granted in 1994.

(2) Options granted in 1994 vest 50% at the end of two years and 100% at the end of three years from the date of grant and are exercisable for a period of 10 years from the date of grant.

(3) Values were based on the Black-Scholes option pricing model adapted for use in valuing executive stock options. The actual value, if any, an executive may realize will depend on the excess of the stock price over the exercise price on the date the option is exercised, so there is no assurance that value realized by the executive will be at or near the value estimated by the Black-Scholes model. The estimated values under that model are based on arbitrary assumptions as to certain variables and in 1994 included the following:

- . Risk-free rate of return 7.5%
- . Stock volatility 19.43%
- . Future dividend yield 3.10%

Based on the Black-Scholes option pricing model, using the above assumptions, the options granted in 1994 have been valued at \$12.17 per share as of the grant date.

(4) Subsequent to the award of options in February, 1994, Mr. Murphy was elected nonemployee Chairman of the Board of the Company and as a result, these options were forfeited.

## COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The members of the Executive Compensation and Nominating Committee of the Board of Directors of the Company during 1994 were Messrs. Butler, Hart, C. H. Murphy, Jr., Michael Murphy, Nolan, Webster, and Ms. Theus.

In 1994 the Company purchased crude oil at competitive prices, and on terms no more favorable to the sellers than those offered by unaffiliated third parties, from properties in which interests were owned by directors and affiliates of directors. These directors and their affiliates and the amounts of such purchases were: Marmik Oil Company (89% owned by Michael W. Murphy) \$252,193 and Munoco Company (associate of William C. Nolan, Jr.) \$112,639.

## COMPENSATION COMMITTEE REPORT FOR 1994

The Company is required to provide specific information regarding compensation and benefits provided to the Company's president and the four other most highly compensated executive officers of the Company. The Executive Compensation and Nominating Committee of the Board of Directors of the Company, which is made up entirely of independent, outside directors, has prepared this report which describes the philosophy followed by the Company in establishing its pay practices and reviews compensation decisions which were made during 1994.

## EXECUTIVE COMPENSATION PHILOSOPHY AND PRINCIPLES

The Company's executive compensation programs and plans are based on principles designed to align the interests of executives with those of stockholders and provide a direct link with Company values, objectives, business strategy and financial results. The following general guidelines have been adopted by the Committee and have been used as the basic architecture for all executive compensation and benefit arrangements for the Company:

- . All programs are directed toward attracting and retaining key executives who are critical to the long-term success of the Company and each of its business units and who exhibit a high degree of business responsibility, personal integrity and professionalism.
- . These programs are designed to reward executives for both the short and long-term achievement of Company and business unit objectives that lead to the enhancement of stockholder value.

- . All pay and benefit programs are intended to be reasonably competitive within each industry segment, with upside opportunity and downside risk linked to the achievement of annual and long-term performance objectives which are regularly reviewed and approved by the Committee.

At the present time, executive compensation programs consist of base salary, an annual cash incentive plan and long-term incentives in the form of both stock options and performance-based restricted stock. The executive benefits that are offered are typical of those provided by others in the industry. Each of these compensation arrangements is briefly reviewed in the following section.

#### BASE SALARY PRACTICES

Officers and other employees are compensated within established salary ranges that are generally based on similar positions in companies of comparable size and complexity to the Company. The actual base pay level for each officer is based on a combination of experience, performance and other factors that are determined to be important by the Committee. Each year, the Company participates in salary surveys within each industry segment and from time to time uses the services of outside consultants to further supplement its competitive information. The petroleum industry survey in which the Company participates contains over 25 corporations that the Committee believes are representative of the Company's labor market for management talent. The survey is conducted by a major compensation consulting firm. Several of the companies in the survey group are included in the S&P Oil-Domestic Integrated line on our performance graph. The Committee generally targets the base salary of most officers to be at or near the average of the competitive market which has been described to be other integrated energy companies. The actual salaries and the amount of increase for 1994 to the Named Executives with the exception of the new Chief Executive Officer of the Company, Claiborne P. Deming, were near the average levels of the salaries and increases in the referenced survey. The base salary of most officers is generally reviewed annually, with the amount of any increases based on factors such as Company performance, general economic conditions, marketplace compensation trends and individual performance. In determining base salary and increase in salaries, the most important criteria in the Committee's analysis are marketplace comparisons and individual performance. Overall corporate performance which may include those measures used to determine annual incentive compensation awards were also considered by the Committee in making salary adjustments in 1994.



## ANNUAL INCENTIVE COMPENSATION PROGRAM

Officers and other key management employees of the Company are eligible to participate in an annual incentive compensation plan with awards based on criteria that the Committee has determined are critical to the short-term success of the Company. These criteria include corporate and business unit financial objectives as well as individual objectives. The program establishes threshold, target and maximum levels of awards that may be paid for the achievement of specific predetermined performance objectives. Each participant in the annual incentive compensation plan has a target incentive opportunity that would provide an industry average incentive award if the Company and/or its business units achieved the targeted level of performance. For corporate officers and staff, 100% of the award is based on Company financial results. For other participants, at least 50% of the award is based on Company financial results, while the remaining 50% is based on business unit or individual results. Target awards for officers and other participants range from 45% of base salary for the President to 15% for certain other participants. The Committee has targeted bonuses for each position to correspond with the median bonus of similar positions in other domestic integrated oil companies as reported in the same petroleum survey used for base salary comparisons. The Company uses a payout matrix to determine actual awards, which in most instances are based on at least two measurable financial or operational results. For 1994, these measures included the following: return on assets, cash flow, reserve replacement ratio, finding and development costs, earnings per barrel, and similar measures related to specific business unit performance.

The Company met its return on average assets target but did not meet targeted cash flow for 1994 and as such made annual incentive awards which were below target levels for corporate officers and staff participants. As stated above, 50% of incentive awards for other participants were also based on the Company's financial performance. The remaining 50% portion of such participant's incentive award was evaluated on a case-by-case basis and was made according to business unit and individual performance as determined by the Committee.

## LONG-TERM INCENTIVE COMPENSATION

Under the 1992 Stock Incentive Plan (the 1992 Plan) as approved by the Company's stockholders, long-term incentives may be provided through stock options, stock appreciation rights and performance-based restricted stock, all designed to increase the stock ownership of management and link these key individuals directly to stockholders. All long-term incentive awards made

during 1994 were granted under the 1992 Plan. Where appropriate, the Committee uses the Black-Scholes option valuation model to determine the expected value of stock options. Under the 1992 Plan, the Committee may award up to one-half of one percent of the total issued and outstanding shares as of December 31 of the immediately preceding year. The 1992 Plan provides that no more than 50% of the shares may be granted as incentive stock options and no more than 50% can be granted as performance-based restricted stock.

A stock option granted under the Plan gives the executive the right to purchase a specified number of shares of the Company's common stock at an option price equal to the market price on the date the option was granted. Options, which may be either non-qualified stock options or incentive stock options, vest 50% at the end of two years and 100% at the end of three years from the date of grant and are exercisable for a period of 10 years from the date of grant. The size of option grants awarded each year is based on competitive practices in general industry using comparative data provided by a major compensation consulting firm. Actual grant levels of long-term incentive award opportunities are generally based on the 25th percentile or slightly below average competitive practices in the survey data base. The Company's stock option grants in 1994 were at the 25th percentile or slightly below median levels of general industry practices. In addition, the Committee considers the total number of grants each executive has been awarded in recent years in determining whether to grant additional stock options or performance-based restricted stock. Stock options were granted in 1994 to all Named Executives except for Mr. McNutt who retired as President of the Company on October 1, 1994; however, no stock appreciation rights were granted in 1994.

Grants of performance-based restricted stock were awarded to 12 officers in 1994, including all of the Named Executives except for Mr. McNutt, the retiring President. These grants provide for initial awards of shares of Company stock at no cost to the participant, with actual vesting of shares possible at the end of five years, based on the total stockholder return (TSR) for Murphy compared to a similar measure for a group of integrated energy companies. When TSR for the five-year performance cycle equals that of the peer companies, executives will vest in the entire grant; for performance that falls short of this group, fewer shares vest, subject to a minimum performance level where no shares will vest. During the five-year restricted period, executives are paid dividends in the same amount and at the same time as are other stockholders; they may also vote the shares during this period. Upon vesting, a payment is made to the participant to defray any applicable income tax liability incurred. It is expected that new performance cycles will begin every

other year, with the Committee determining the size of potential awards and the appropriate peer group and measure for the vesting of each award.

The Company is currently studying proposed Section 162(m) of the Internal Revenue Code which limits the amount of compensation that can be deducted by the Company each year to \$1,000,000.00 per proxy-named executive. The transitional period for compliance extends until 1997. Therefore, the Company intends to review the final regulations as they apply to the above stated plans to determine what actions, if any, may be necessary for stockholder disclosure and approval.

The total value of grants of both stock options and performance-based restricted stock are based upon competitive industry practices as cited in the long-term incentive compensation survey of the compensation consulting firm referenced above. The size of the combined grants of stock options and performance-based restricted stock made in 1994 were at the 25th percentile or slightly below the median grant levels of total long-term incentives included in the competitive survey data base.

#### DISCUSSION OF 1994 COMPENSATION FOR THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

On October 1, 1994 Mr. Jack McNutt retired from the Company as its President and Chief Executive Officer. The Board of Directors elected Mr. Claiborne P. Deming, an Executive Vice President and Chief Operating Officer of the Company, to succeed Mr. McNutt as President and Chief Executive Officer. Mr. Deming assumed the role of President and Chief Executive Officer on October 1, 1994. For 1994, the Committee made the following determinations regarding the compensation for Messrs. McNutt and Deming:

- . The base salary for Mr. McNutt was increased from \$510,000 to \$535,000 on February 1, 1994, an increase of 4.9%. The amount of this increase was based on the performance of the Company and the Committee's discretionary assessment of Mr. McNutt's performance. The salary adjustment was also based on competitive assessment of survey data provided by a major compensation consulting firm and was set within 5% to 10% of the range of the competitive data. Mr. McNutt's base salary for the last fiscal year was slightly below the average of the compensation paid by companies in the salary survey.
- . Mr. McNutt was paid an incentive award under the Annual Incentive Plan of \$106,941. This award was directly determined by the financial performance of the Company in the following two areas for 1994: return on average assets and cash flow compared to forecast. For the performance measure of the return on

average assets, the Company achieved 4.76% which represents 100.2% of the preselected target. In addition, the Company attained cash flow of \$390,700,000 which was 87.8% of the preselected target of cash flow for 1994. These two performance measures are calibrated on a performance matrix which resulted in the Company achieving 59.52% of its targeted performance.

- . No stock options or performance-based restricted stock were awarded to Mr. McNutt in 1994 due to his pending retirement in October.
- . The Committee, upon the Board's election of Mr. Deming to the position of President and Chief Executive Officer, increased the base salary of Mr. Deming from \$310,000 to \$400,000, effective as of October 1, 1994. This increase was based upon an assessment of the competitive base salary levels of other chief executive officers of other domestic integrated energy companies as reported to the Committee in a survey by a compensation consulting firm, and the Committee decided to bring Mr. Deming's base salary to a level approximately equal to 75% of the average base salary of the chief executive officers in the survey group. No other special compensation actions were taken in 1994 with respect to Mr. Deming's election as President and Chief Executive Officer.
- . Mr. Deming was paid an incentive award under the Annual Incentive Plan of \$74,873. The determination of this award was based on the two performance measures as described above.
- . During the year, long-term incentive awards were made to Mr. Deming based on his 1993 performance as Executive Vice President and Chief Operating Officer of the Company in the following amounts: 6,500 non-qualified stock options were granted on March 2 at an exercise price of \$39.9375 per share. These options vest 50% two years from the date of grant and 100% three years from the date of grant. The awards were based upon comparative data and the Committee adhered to the guidelines. In addition, he was awarded 3,500 shares of performance-based restricted stock. These shares may vest at the end of the five-year performance period based on the Company's achievement of total shareholder returns equal to those achieved by a group of peer companies. A major compensation consulting firm assisted the Committee in determining the size of stock option grants and performance-based restricted stock awarded to Mr. Deming.

The Executive Compensation and Nominating Committee members are Messrs. Butler, Hart, C. H. Murphy, Jr., Michael Murphy, Nolan, Webster, and Ms. Theus.

SHAREHOLDER RETURN PERFORMANCE PRESENTATION

The following line graph presents a comparison of the cumulative five-year shareholder returns (including the reinvestment of dividends) for the Company, the Standard and Poor 500 Stock Index and the S&P Oil-Domestic Integrated Index.

MURPHY OIL CORPORATION  
COMPARISON OF FIVE-YEAR CUMULATIVE SHAREHOLDER  
RETURNS

[GRAPH APPEARS HERE]

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	1989	1990	1991	1992	1993	1994
Murphy Oil Corporation	100	96	87	94	109	119
S&P 500 Index	100	97	126	136	150	152
S&P Oil--Domestic Integrated	100	95	89	91	96	100

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Data Source: S&P Compustat Services

RETIREMENT PLANS

The following table shows the estimated annual pension benefit payable, at age 65, under Murphy Oil Corporation's Retirement Plan at December 31, 1994 for the salary and length of service indicated. The amounts shown are subject to reduction for social security benefits.

PENSION PLAN TABLE

REMUNERATION/(1)/	YEARS OF SERVICE					
	15	20	25	30	35	40
\$150,000.....	\$ 36,000	\$ 48,000	\$ 60,000	\$ 72,000	\$ 84,000	\$ 96,000
200,000.....	48,000	64,000	80,000	96,000	112,000	128,000/(2)/
250,000.....	60,000	80,000	100,000	120,000/(2)/	140,000/(2)/	160,000/(2)/
300,000.....	72,000	96,000	120,000/(2)/	144,000/(2)/	168,000/(2)/	192,000/(2)/
350,000.....	84,000	112,000	140,000/(2)/	168,000/(2)/	196,000/(2)/	224,000/(2)/
400,000.....	96,000	128,000/(2)/	160,000/(2)/	192,000/(2)/	224,000/(2)/	256,000/(2)/
450,000.....	108,000	144,000/(2)/	180,000/(2)/	216,000/(2)/	252,000/(2)/	288,000/(2)/
500,000.....	120,000/(2)/	160,000/(2)/	200,000/(2)/	240,000/(2)/	280,000/(2)/	320,000/(2)/
600,000.....	144,000/(2)/	192,000/(2)/	240,000/(2)/	288,000/(2)/	336,000/(2)/	384,000/(2)/
700,000.....	168,000/(2)/	224,000/(2)/	280,000/(2)/	336,000/(2)/	392,000/(2)/	448,000/(2)/

(1) During 1994, the maximum compensation limit for qualified plans, as established by the Internal Revenue Service, was \$150,000. The compensation limit is unchanged in 1995.

(2) Exceeds presently allowable maximum legislative limits for annual pension benefits under a defined benefit pension plan. In 1994, the maximum benefit allowable was \$118,800 (\$120,000 effective January 1, 1995).

A portion of the benefits shown above would be paid under the Company's Supplemental Benefit Plan to the extent such benefits exceed legislative limitations.

The credited years of service for Messrs. Deming, Fox, Cosse and Vaughan are sixteen years, twenty-five years, fifteen years, and thirty-one years, respectively. As of October 1, 1994, Mr. McNutt and Madison Murphy had credited years of service of thirty-seven years and fifteen years, respectively.

As of January 1, 1992 employees of Murphy Exploration & Production Company, formerly named Ocean Drilling & Exploration Company (ODECO), participate in the Company's plans. Prior to that time such employees participated

in similar plans of ODECO. Employees of the Company or one of its 100% owned subsidiaries who were previously included in the ODECO Retirement Plan may receive a benefit upon retirement which is based on a combination of the Company and ODECO plans. The following table indicates the estimated annual benefit computed on a straight life annuity basis payable, at age 65, under the ODECO plan for the salary and length of service indicated.

PENSION PLAN TABLE

REMUNERATION	YEARS OF SERVICE				
	15	20	25	30	35
\$200,000.....	\$ 59,352	\$ 78,082	\$ 98,812	\$118,542	\$138,272*
250,000.....	74,352	98,082	123,812*	148,542*	173,272*
300,000.....	89,352	118,082*	148,812*	178,542*	208,272*
350,000.....	104,352	138,082*	173,812*	208,542*	243,272*

\* Exceeds presently allowable maximum legislative limits for annual pension benefits under a defined benefit pension plan.

The above tables do not reflect any reductions in retirement benefits that would result from the selection of one of either plan's various available survivorship options nor the actuarial reductions required by the plans for retirement earlier than age 62.

The credited years of service for Mr. Dawkins is twenty-nine years.

It is not feasible to calculate the specific amount attributable to the plan in respect to each employee. The Company had no required contributions to the Retirement Plan in 1994 and therefore no contributions were made.

APPROVAL OF APPOINTMENT OF INDEPENDENT AUDITORS

The Board of Directors desires to obtain from the stockholders an indication of their approval or disapproval of the Board's action in appointing KPMG Peat Marwick LLP, Certified Public Accountants, as independent auditors of the Company for the year 1995. KPMG Peat Marwick LLP has been serving the Company and its subsidiaries as independent auditors for many years. The firm has advised the Company that its members have no direct or indirect financial interest in the Company or any of its subsidiaries. Members of the firm are expected to be present at the Annual Meeting for the purpose of responding to inquiries by stockholders and such representatives will have an opportunity to make a statement if they desire to do so.

In the event a majority of the stockholders voting should indicate they disapprove the appointment of KPMG Peat Marwick LLP the adverse vote will be considered as a directive to the Board of Directors to select other auditors for the following year. Because of the difficulty and expense of making any substitution of auditors during a year, it is contemplated that the appointment for 1995 will be permitted to stand unless the Board finds other good reason for making a change.

#### STOCKHOLDER PROPOSALS

Stockholder proposals for the 1996 Annual Meeting of stockholders must be received by the Company at its executive offices on or before December 15, 1995 in order to be considered for inclusion in the proxy materials.

#### OTHER INFORMATION

The management of the Company knows of no business other than that described above that will be presented for consideration at the meeting. If any other business properly comes before the meeting, it is the intention of the persons named in the proxies to vote such proxies thereon in accordance with their judgment.

The expense of this solicitation, including cost of preparing and mailing this Proxy Statement, will be paid by the Company. Such expenses may also include the charges and expenses of banks, brokerage houses and other custodians, nominees or fiduciaries for forwarding proxies and proxy material to beneficial owners of shares.

The above Notice and Proxy Statement are sent by order of the Board of Directors.

W. BAYLESS ROWE  
Secretary

El Dorado, Arkansas  
April 5, 1995

PLEASE COMPLETE AND RETURN YOUR PROXY PROMPTLY IN THE  
ENCLOSED ENVELOPE. NO POSTAGE REQUIRED IF IT IS MAILED  
IN THE UNITED STATES OF AMERICA.



[SPUR LOGO APPEARS HERE]

[LOGO OF MURPHY OIL CORPORATION APPEARS HERE]

[SPUR LOGO APPEARS HERE]

NOTICE OF  
ANNUAL MEETING  
AND  
PROXY STATEMENT

ANNUAL MEETING  
OF STOCKHOLDERS  
EL DORADO, ARKANSAS

MAY 10, 1995

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PLEASE MARK VOTE IN OVAL USING DARK INK ONLY.  
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THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" EACH OF THE LISTED PROPOSALS.

1. ELECTION OF DIRECTORS--

B.R.R. Butler, C.P. Deming, H.R. Hart, V.T. Hughes, Jr.,  
C.H. Murphy, Jr., M.W. Murphy, R.M. Murphy,  
W.C. Nolan, Jr., C.G. Theus, and L.C. Webster.

FOR	WITHHOLD	FOR ALL (EXCEPT NOMINEE(S) WRITTEN BELOW)
/ /	/ /	/ /

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2. Ratify the appointment of KPMG Peat Marwick LLP as auditors.

FOR	AGAINST	ABSTAIN
/ /	/ /	/ /

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Dated \_\_\_\_\_, 1995

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Please sign exactly as your name or names appear hereon. For joint accounts, each owner should sign. When signing as executor, administrator, attorney, trustee or guardian, etc., please give your full title. Please return promptly.  
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[LOGO OF MURPHY OIL CORPORATION APPEARS HERE]

PROXY SOLICITED BY BOARD OF DIRECTORS FOR ANNUAL MEETING, MAY 10, 1995

The stockholder(s) whose name(s) appears on the reverse side hereby appoints R. Madison Murphy and Claiborne P. Deming, or each of them, as the stockholder's proxy or proxies, with full power of substitution, to vote all shares of Common Stock of Murphy Oil Corporation which the stockholder is entitled to vote at the Annual Meeting of Stockholders to be held at the South Arkansas Arts Center, 110 East 5th Street, El Dorado, Arkansas, on May 10, 1995, at 10:00 a.m., local time, and any adjournments thereof, as fully as the stockholder could if personally present.

IMPORTANT -- THIS PROXY MUST BE SIGNED AND DATED ON THE REVERSE SIDE.

THIS PROXY WILL BE VOTED IN ACCORDANCE WITH THE SPECIFICATIONS MADE ON THE REVERSE SIDE, BUT IF NONE ARE INDICATED, THIS PROXY WILL BE VOTED FOR ALL NOMINEES LISTED ON THE REVERSE SIDE, AND FOR PROPOSAL 2.

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(continued on reverse side)