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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark one)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended MARCH 31, 2000

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______________ to _______________

Commission File Number 1-8590

MURPHY OIL CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	71-0361522
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

200 PEACH STREET P. O. Box 7000, EL DORADO, ARKANSAS	71731-7000
(Address of principal executive offices)	(Zip Code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

[X] Yes   [ ]No

Number of shares of Common Stock, $1.00 par value, outstanding at March 31, 2000, was 45,012,217.

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PART I FINANCIAL INFORMATION

Murphy Oil Corporation and Consolidated Subsidiaries
CONSOLIDATED BALANCE SHEETS
(Thousands of dollars)

	(unaudited) March 31, 2000	December 31, 1999
ASSETS		
Current assets		
Cash and cash equivalents	$ 54,246	34,132
Accounts receivable, less allowance for doubtful accounts of $8,506 in 2000 and $8,298 in 1999	352,100	357,472
Inventories		
Crude oil and blend stocks	56,887	61,853
Finished products	79,846	50,572
Materials and supplies	41,552	39,218
Prepaid expenses	35,504	28,145
Deferred income taxes	22,054	21,720
Total current assets	642,189	593,112

Property, plant and equipment, at cost less accumulated depreciation, depletion and amortization of $3,045,355 in 2000 and $3,007,578 in 1999	1,810,447	1,782,741
Deferred charges and other assets	67,624	69,655
Total assets	$ 2,520,260	2,445,508
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current maturities of long-term debt	$ 71	71
Accounts payable and accrued liabilities	491,958	449,269
Income taxes	43,176	38,295
Total current liabilities	535,205	487,635
Notes payable	248,546	248,569
Nonrecourse debt of a subsidiary	144,323	144,595
Deferred income taxes	156,698	154,109
Reserve for dismantlement costs	158,714	158,377
Reserve for major repairs	23,078	22,099
Deferred credits and other liabilities	168,369	172,952
Stockholders' equity		
Cumulative Preferred Stock, par $100, authorized 400,000 shares, none issued	-	-
Common Stock, par $1.00, authorized 80,000,000 shares, issued 48,775,314 shares	48,775	48,775
Capital in excess of par value	512,953	512,488
Retained earnings	633,635	601,956
Accumulated other comprehensive loss - foreign currency translation	(9,630)	(4,984)
Unamortized restricted stock awards	(2,042)	(2,328)
Treasury stock, 3,763,097 shares of Common Stock in 2000, 3,777,319 shares in 1999, at cost	(98,364)	(98,735)
Total stockholders' equity	1,085,327	1,057,172
Total liabilities and stockholders' equity	$ 2,520,260	2,445,508

See Notes to Consolidated Financial Statements, page 4.

The Exhibit Index is on page 12.

Murphy Oil Corporation and Consolidated Subsidiaries
CONSOLIDATED STATEMENTS OF INCOME (unaudited)
(Thousands of dollars, except per share amounts)

	Three Months Ended March 31, 2000	1999
REVENUES		
Crude oil and natural gas sales	$ 145,414	84,063
Petroleum product sales	569,431	205,147
Other operating revenues	12,612	13,669
Interest and other nonoperating revenues	1,209	1,387
Total revenues	728,666	304,266
COSTS AND EXPENSES		
Crude oil, products and related operating expenses	534,581	220,015
Exploration expenses, including undeveloped lease amortization	47,858	26,339
Selling and general expenses	17,860	16,526
Depreciation, depletion and amortization	52,849	46,595
Provision for reduction in force	-	1,513
Interest expense	6,793	5,616
Interest capitalized	(3,198)	(1,145)
Total costs and expenses	656,743	315,459
Income (loss) before income taxes	71,923	(11,193)
Federal and state income tax expense (benefit)	(4,775)	(3,006)
Foreign income tax expense (benefit)	29,265	(1,489)
NET INCOME (LOSS)	$ 47,433	(6,698)
Net income (loss) per Common share - basic	$ 1.05	(.15)
Net income (loss) per Common share - diluted	$ 1.05	(.15)
Cash dividends per Common share	$ .35	.35
Average Common shares outstanding - basic	45,009,089	44,955,013
Average Common shares outstanding - diluted	45,159,265	44,955,013

Murphy Oil Corporation and Consolidated Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (unaudited)
(Thousands of dollars)

	Three Months Ended March 31, 2000	1999
Net income (loss)	$ 47,433	(6,698)
Other comprehensive loss - net loss from foreign currency translation	(4,646)	(2,228)
COMPREHENSIVE INCOME (LOSS)	$ 42,787	(8,926)

See Notes to Consolidated Financial Statements, page 4.

Murphy Oil Corporation and Consolidated Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)
(Thousands of dollars)

	Three Months Ended March 31, 2000	1999
OPERATING ACTIVITIES		
Net income(loss)	$ 47,433	(6,698)
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Depreciation, depletion and amortization	52,849	46,595
Provisions for major repairs	5,593	2,416
Expenditures for major repairs and dismantlement costs	(5,654)	(28,316)
Exploratory expenditures charged against income	44,863	23,720
Amortization of undeveloped leases	2,995	2,619
Deferred and noncurrent income tax charges	3,852	7,820
Pretax gains from disposition of assets	(541)	(61)
Other - net	495	3,311
	151,885	51,406
Net (increase) decrease in operating working capital other than cash and cash equivalents	18,607	(57,362)
Other adjustments related to operating activities	(1,912)	(3,471)
Net cash provided (required) by operating activities	168,580	(9,427)
INVESTING ACTIVITIES		
Capital expenditures requiring cash	(135,842)	(94,165)
Proceeds from sale of property, plant and equipment	4,360	984
Other investing activities - net	(10)	(593)
Net cash required by investing activities	(131,492)	(93,774)
FINANCING ACTIVITIES		
Increase (decrease) in notes payable	(23)	111,382
Decrease in nonrecourse debt of a subsidiary	(272)	(4,888)
Cash dividends paid	(15,754)	(15,734)
Other financing activities - net	163	226
Net cash provided (required) by financing activities	(15,886)	90,986
Effect of exchange rate changes on cash and cash equivalents	(1,088)	(544)
Net increase (decrease) in cash and cash equivalents	20,114	(12,759)
Cash and cash equivalents at January 1	34,132	28,271
Cash and cash equivalents at March 31	$ 54,246	15,512
SUPPLEMENTAL DISCLOSURES OF CASH FLOW ACTIVITIES		
Cash income taxes paid (refunded)	$ 14,220	(3,821)
Interest paid, net of amounts capitalized	(649)	3,004

See Notes to Consolidated Financial Statements, page 4.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

These notes are an integral part of the financial statements of Murphy Oil Corporation and Consolidated Subsidiaries (Murphy/the Company) on pages 1 through 3 of this Form 10-Q report.

NOTE A - INTERIM FINANCIAL STATEMENTS

The consolidated financial statements of the Company presented herein have not been audited by independent auditors, except for the Consolidated Balance Sheet at December 31, 1999. In the opinion of Murphy's management, the unaudited financial statements presented herein include all accruals necessary to present fairly the Company's financial position at March 31, 2000, and the results of operations and cash flows for the three-month periods ended March 31, 2000 and 1999, in conformity with generally accepted accounting principles.

Financial statements and notes to consolidated financial statements included in this Form 10-Q report should be read in conjunction with the Company's 1999 Form 10-K report, as certain notes and other pertinent information have been abbreviated or omitted in this report. Financial results for the three months ended March 31, 2000 are not necessarily indicative of future results.

NOTE B - ENVIRONMENTAL CONTINGENCIES

The Company's operations are subject to numerous laws and regulations intended to protect the environment and/or impose remedial obligations. The Company is also involved in personal injury and property damage claims, allegedly caused by exposure to or by the release or disposal of materials manufactured or used in the Company's operations. The Company operates or has previously operated certain sites and facilities, including refineries, oil and gas fields, gasoline stations, and terminals, for which known or potential obligations for environmental remediation exist.

Under the Company's accounting policies, an environmental liability is recorded when an obligation is probable and the cost can be reasonably estimated. If there is a range of reasonably estimated costs, the most likely amount will be recorded, or if no amount is most likely, the minimum of the range is used. Recorded liabilities are reviewed quarterly. Actual cash expenditures often occur one or more years after a liability is recognized.

The Company's reserve for remedial obligations, which is included in "Deferred Credits and Other Liabilities" in the Consolidated Balance Sheets, contains certain amounts that are based on anticipated regulatory approval for proposed remediation of former refinery waste sites. If regulatory authorities require more costly alternatives than the proposed processes, future expenditures could exceed the amount reserved by up to an estimated $3 million.

The Company has received notices from the U.S. Environmental Protection Agency (EPA) that it is currently considered a Potentially Responsible Party (PRP) at three Superfund sites and has also been assigned responsibility by defendants at another Superfund site. The potential total cost to all parties to perform necessary remedial work at these sites may be substantial. Based on currently available information, the Company has reason to believe that it is a "de minimus" party as to ultimate responsibility at the four sites. The Company does not expect that its related remedial costs will be material to its financial condition or its results of operations, and it has not provided a reserve for remedial costs on Superfund sites. Additional information may become known in the future that would alter this assessment, including any requirement to bear a pro rata share of costs attributable to nonparticipating PRPs or indications of additional responsibility by the Company.

Following a 1998 compliance inspection of the Superior, Wisconsin refinery, the EPA gave the Company notices of violation of environmental laws. Although the penalty amounts were not listed, the statutes involved provide for rates of up to $27,500 per day of violation. The EPA has referred the matter to the U.S. Department of Justice for enforcement. The Superior refinery also received a notice of violation from the Wisconsin Department of Natural Resources for alleged failure to meet new source performance emission standards for the sulfur plant at the refinery. This item has been referred to the Wisconsin Department of Justice for enforcement. The Company believes it has valid defenses to these allegations and plans vigorous defenses. While the enforcement actions are in their preliminary stages and no assurance can be given, the Company does not believe that these or other known environmental matters will have a material adverse effect on its financial condition. There is the possibility that

NOTE B - ENVIRONMENTAL CONTINGENCIES (CONTD.)

expenditures could be required at currently unidentified sites, and new or revised regulations could require additional expenditures at known sites. Such expenditures could materially affect the results of operations in a future period.

Certain environmental expenditures are likely to be recovered by the Company from other sources, primarily environmental funds maintained by certain states. Since no assurance can be given that future recoveries from other sources will occur, the Company has not recognized a benefit for likely recoveries at March 31, 2000.

NOTE C - OTHER CONTINGENCIES

The Company's operations and earnings have been and may be affected by various other forms of governmental action both in the United States and throughout the world. Examples of such governmental action include, but are by no means limited to: tax increases and retroactive tax claims; import and export controls; price controls; currency controls; allocation of supplies of crude oil and petroleum products and other goods; expropriation of property; restrictions and preferences affecting the issuance of oil and gas or mineral leases; restrictions on drilling and/or production; laws and regulations intended for the promotion of safety; governmental support for other forms of energy; and laws and regulations affecting the Company's relationships with employees, suppliers, customers, stockholders and others. Because governmental actions are often motivated by political considerations, may be taken without full consideration of their consequences, and may be taken in response to actions of other governments, it is not practical to attempt to predict the likelihood of such actions, the form the actions may take or the effect such actions may have on the Company.

The Company and its subsidiaries are engaged in a number of legal proceedings, all of which the Company considers routine and incidental to its business and none of which is considered material. In the normal course of its business, the Company is required under certain contracts with various governmental authorities and others to provide letters of credit that may be drawn upon if the Company fails to perform under those contracts. At March 31, 2000, the Company had contingent liabilities of $52.9 million on outstanding letters of credit and $68.4 million under certain financial guarantees.

NOTE D - DERIVATIVE INSTRUMENTS

The Company uses derivative instruments on a limited basis to manage certain risks related to interest rates, foreign currency exchange rates and commodity prices. Instruments that reduce the exposure of assets, liabilities or anticipated transactions to interest rate, currency or price risks are accounted for as hedges. Gains or losses on derivatives that cease to qualify as hedges are recognized in income or expense. The use of derivative instruments for risk management is covered by operating policies and is closely monitored by the Company's senior management. The Company does not hold any derivatives for trading purposes, and it does not use derivatives with leveraged or complex features. Derivative instruments are traded either with creditworthy major financial institutions or over national exchanges.

Murphy uses interest rate swap agreements to convert certain variable rate long-term debt to fixed rates. Under the accrual/settlement method of accounting, the Company records the net amount to be received or paid under the swap agreements as part of "Interest Expense" in the Consolidated Statements of Income. If the Company should terminate an interest rate swap prior to maturity, any cash paid or received as settlement would be deferred and recognized as an adjustment to "Interest Expense" over the shorter of the remaining life of the debt or the remaining contractual life of the swap.

The Company periodically uses crude oil swap agreements to reduce a portion of the financial exposure of its U.S. refineries to crude oil price movements. Unrealized gains or losses on such swap contracts are generally deferred and recognized in connection with the associated crude oil purchase. If conditions indicate that the market price of finished products would not allow for recovery of the costs of the finished products, including any unrealized loss on the crude oil swap, a liability will be provided for the nonrecoverable portion of the unrealized swap loss. The Company records the pretax contract results in "Crude Oil, Products and Related Operating Expenses" in the Consolidated Statements of Income.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

NOTE D - DERIVATIVE INSTRUMENTS (CONTD.)

The Company periodically uses natural gas swap agreements to reduce a portion of the financial exposure of its Meraux, Louisiana refinery to fluctuations in the price of future natural gas fuel purchases. Unrealized gains or losses on such swap contracts are deferred and recognized in connection with the associated fuel purchases. The Company records the pretax contract results in "Crude Oil, Products and Related Operating Expenses" in the Consolidated Statements of Income.

NOTE E - EARNINGS PER SHARE

Net income (loss) was used as the numerator in computing both basic and diluted income (loss) per Common share for the three months ended March 31, 2000 and 1999. The following table reconciles the weighted-average shares outstanding used for these computations.

Reconciliation of Shares Outstanding	Three Months Ended March 31,	
(Weighted-average shares)	2000	1999
Basic method	45,009,089	44,955,013
Dilutive stock options	150,176	-
Diluted method	45,159,265	44,955,013

The computations of earnings per share in the Consolidated Statements of Income did not consider outstanding options at the end of the periods of 543,000 shares in 2000 and 1,371,839 shares in 1999 because the effects of these options would have improved the Company's earnings per share. Average exercise prices per share of the options not used were $58.59 and $45.69, respectively.

NOTE F - PROVISION FOR REDUCTION IN FORCE

In early 1999, the Company offered enhanced voluntary retirement benefits to eligible exploration, production and administrative employees in its New Orleans and Calgary offices and severed certain other employees at these locations. The voluntary retirements and severances reduced the Company's work force by 31 employees, and a "Provision for Reduction in Force" of $1.5 million was recorded in the Consolidated Statement of Income for the three months ended March 31, 1999. The provision included additional deferred benefit plan expense of $1 million and severance and other costs of $.5 million, the latter of which was essentially all paid during 1999.

NOTE G - BUSINESS SEGMENTS

(Millions of dollars)	Total Assets at March 31, 2000	Three Mos. Ended March 31, 2000 External Revenues	Interseg. Revenues	Income (Loss)
Exploration and production*				
United States	$ 397.7	36.9	18.5	(6.1)
Canada	764.4	50.2	29.8	25.4
United Kingdom	285.2	46.0	11.6	22.4
Ecuador	62.4	13.6	-	9.1
Other	11.0	.7	-	(1.5)
Total	1,520.7	147.4	59.9	49.3
Refining, marketing and transportation				
United States	567.4	474.6	.7	(1.6)
United Kingdom	204.6	98.7	-	4.9
Canada	92.6	6.8	.1	1.5

Total	864.6	580.1	.8	4.8
Total operating segments	2,385.3	727.5	60.7	54.1
Corporate and other	135.0	1.2	-	(6.7)
Total consolidated	$ 2,520.3	728.7	60.7	47.4

	Three Mos. Ended March 31, 1999		
(Millions of dollars)	External Revenues	Interseg. Revenues	Income (Loss)
Exploration and production*			
United States	$ 32.9	7.4	(4.7)
Canada	26.7	8.3	.2
United Kingdom	23.1	-	1.5
Ecuador	4.7	-	1.0
Other	.6	-	(1.2)
Total	88.0	15.7	(3.2)
Refining, marketing and transportation			
United States	162.6	1.0	-
United Kingdom	45.9	-	1.3
Canada	6.4	.1	1.6
Total	214.9	1.1	2.9
Total operating segments	302.9	16.8	(.3)
Corporate and other	1.4	-	(6.4)
Total consolidated	$ 304.3	16.8	(6.7)

*Additional details about results of operations are presented in the tables on page 10.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS

Murphy's net income in the first quarter of 2000 totaled $47.4 million, $1.05 a share, compared to a loss before special items of $5.7 million, $.13 a share, in the first quarter a year ago. The net loss in the first quarter of 1999 totaled $6.7 million, $.15 a share, and included an after-tax charge of $1 million, $.02 a share, for a reduction in force.

Significantly higher crude oil and gas liquids sales prices in the current quarter led to earnings of $49.3 million for the Company's exploration and production operations, which lost $3.2 million in the first quarter of 1999. This earnings improvement occurred despite the effect of unusually high exploration expenses in the current period, primarily caused by three significant dry holes in the Gulf of Mexico that collectively reduced net income by $21.6 million. Improved results also occurred in Murphy's refining, marketing and transportation operations, which generated earnings of $4.8 million in the first quarter of 2000, an increase of $1.9 million from the same period in 1999.

Exploration and production operations in the United States reported a loss of $6.1 million compared to a loss of $4.7 million in the first quarter of 1999. Operations in Canada earned $25.4 million compared to $.2 million a year ago, and U.K. operations earned $22.4 million in the current quarter, up from $1.5 million. Operations in Ecuador earned $9.1 million in the first quarter of 2000 compared to $1 million a year ago. Other international operations reported a loss of $1.5 million compared to a $1.2 million loss a year earlier. The Company's crude oil and condensate prices averaged $25.29 a barrel in the current quarter, an increase of 139% from the average of $10.57 in the similar period in 1999. Crude oil and condensate prices averaged $28.88 a barrel in the United States and $26.67 in the United Kingdom, increases of 147% and 144%, respectively. In Canada, sales prices averaged $26.38 a barrel for light oil, up 133%; $19.71 for heavy oil, up 139%; $25.43 for oil from the offshore Hibernia field, up 105%; and $28.30 for synthetic oil, up 124%. The average sales price in Ecuador almost tripled to $21.11 a barrel. Total crude oil and gas liquids production averaged 67,247 barrels a day in the first three months of 2000 compared to 63,555 barrels a day a year earlier. The 6% increase was primarily due an increase of 5,531 barrels a day or 139% at the Hibernia field. Crude oil production also increased 2,255 barrels a day or 11% in the United Kingdom, but decreased 2,725 or 25% for Canadian synthetic oil and 865 or 10% in the United States. Natural gas sales prices in the United States averaged $2.55 a thousand cubic feet (MCF) in the current quarter, up 39% compared to $1.84 a year ago. Natural gas sales prices in Canada averaged $2.06 an MCF, an increase of 33%. Total natural gas sales averaged 229 million cubic feet a day compared to 251 million a year ago. The decrease in sales volume was primarily due to lower production from maturing fields in the Gulf of Mexico. Sales of natural gas in the United States averaged 154 million cubic feet a day, down from 177 million in the first quarter of 1999. Canadian natural gas sales averaged 55 million cubic feet a day in the current quarter, up 2%. Exploration expenses totaled $47.9 million in the current quarter compared to $26.3 million a year ago; the increase was mainly due to the aforementioned U.S. dry holes. The tables on page 10 provide additional details of the results of exploration and production operations for the first quarter of each year.

Refining, marketing and transportation operations in the United States lost $1.6 million during the first quarter of 2000 compared to breaking even a year ago; U.S. margins on sales of refined products were under pressure throughout most of the current quarter. Operations in the United Kingdom earned $4.9 million in the current quarter compared to $1.3 million in the first quarter of 1999. Earnings from purchasing, transporting and reselling crude oil in Canada were $1.5 million in the current quarter compared to $1.6 million in the first quarter of 1999. Refinery crude runs were 161,966 barrels a day in the first quarter of 2000 compared to 91,213 in 1999, and refined product sales were 166,934 barrels a day in 2000, up from 117,398 a year ago. Crude runs and product sales in 1999 were both adversely affected by a plant-wide turnaround at the Company's Meraux, Louisiana refinery.

Corporate activities, which include interest income and expense and overhead not allocated to operating functions, reflected a loss of $6.7 million in the current quarter compared to a loss of $5.4 million before special items in the first quarter of 1999.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTD.)

FINANCIAL CONDITION

Net cash provided by operating activities was $168.6 million for the first three months of 2000 compared to $9.4 million of cash required during the same period in 1999. Changes in operating working capital other than cash and cash equivalents provided cash of $18.6 million in the first quarter of 2000, while requiring cash of $57.4 million in the 1999 period. Cash from operating activities was reduced by expenditures for refinery turnarounds and abandonment of oil and gas properties totaling $5.7 million in the current quarter compared to $28.3 million, including $26.1 million for the Meraux refinery turnaround, in the 1999 quarter.

Other predominant uses of cash in both years were for capital expenditures, which, including amounts expensed, are summarized in the following table, and for dividends, which totaled $15.8 million in 2000 and $15.7 million in 1999.

Capital Expenditures	Three Months Ended March 31,	
(Millions of dollars)	2000	1999
Exploration and production	$ 114.6	81.4
Refining, marketing and transportation . . .	20.3	12.5
Corporate and other	.9	.3
	$ 135.8	94.2

Working capital at March 31, 2000 was $107 million, up $1.5 million from December 31, 1999. This level of working capital does not fully reflect the Company's liquidity position, because the lower historical costs assigned to inventories under last-in first-out accounting were $134.2 million below current costs at March 31, 2000.

At March 31, 2000, notes payable of $248.6 million were unchanged from December 31, 1999. Long-term nonrecourse debt of a subsidiary was $144.3 million, down slightly from December 31, 1999 due to changes in foreign currency exchange rates. A summary of capital employed at March 31, 2000 and December 31, 1999 follows.

Capital Employed	March 31, 2000		Dec. 31, 1999	
(Millions of dollars)	Amount	%	Amount	%
Notes payable	$ 248.6	17	248.6	17
Nonrecourse debt of a subsidiary	144.3	10	144.6	10
Stockholders' equity	1,085.3	73	1,057.2	73
	$ 1,478.2	100	1,450.4	100

NEW ACCOUNTING STANDARD

The Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities," in 1998. This statement establishes accounting and reporting standards for derivative instruments and hedging activities. Effective January 1, 2001, Murphy must recognize the fair value of all derivative instruments as either assets or liabilities in its Consolidated Balance Sheet. A derivative instrument meeting certain conditions may be designated as a hedge of a specific exposure; accounting for changes in a derivative's fair value will depend on the intended use of the derivative and the resulting designation. Any transition adjustments resulting from adopting this statement will be reported in either net income or other comprehensive income, as appropriate, as the cumulative effect of a change in accounting principle. As described under Note D on page 5 of this Form

10-Q report, the Company makes limited use of derivative instruments to hedge specific market risks. The Company has not yet determined the effects that SFAS No. 133 will have on its future consolidated financial statements or the amount of the cumulative adjustment that will be made upon adopting this new standard.

FORWARD-LOOKING STATEMENTS

This Form 10-Q report contains statements of the Company's expectations, intentions, plans and beliefs that are forward-looking and are dependent on certain events, risks and uncertainties that may be outside of the Company's control. These forward-looking statements are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Actual results and developments could differ materially from those expressed or implied by such statements due to a number of factors including those described in the context of such forward-looking statements as well as those contained in the Company's January 15, 1997 Form 8-K report on file with the U.S. Securities and Exchange Commission.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to market risks associated with interest rates, foreign currency exchange rates, and prices of crude oil, natural gas and petroleum products. As described in Note D on page 5 of this Form 10-Q report, Murphy makes limited use of derivative financial and commodity instruments to manage certain risks associated with existing or anticipated transactions.

At March 31, 2000, the Company had interest rate swap agreements with notional amounts totaling $100 million that were designed to convert a similar amount of variable-rate debt to fixed rates. These swaps mature in 2002 and 2004. The swaps require the Company to pay an average interest rate of 6.46% over their composite lives, and at March 31, 2000, the interest rate to be received by the Company averaged 6.08%. The variable interest rate received by the Company under each swap contract is repriced quarterly. The Company considers these swaps to be a hedge against potentially higher future interest rates. The estimated fair value of these interest rate swaps was a gain of $1 million at March 31, 2000.

At March 31, 2000, the Company's long-term debt included $112 million with variable interest rates and $74.9 million denominated in Canadian dollars. Based on debt outstanding at March 31, 2000, a 10% increase in variable interest rates would not change the Company's interest expense for the next 12 months after a $.6 million favorable effect resulting from lower net settlement payments under the aforementioned interest rate swaps. A 10% increase in the exchange rate of the Canadian dollar vs. the U.S. dollar would increase interest expense over the next 12 months by $.3 million on debt denominated in Canadian dollars.

At March 31, 2000, the Company was a party to crude oil swap agreements for a total notional volume of 2.3 million barrels that reduced a portion of the financial exposure of Murphy's U.S. refineries to crude oil price movements in 2001 and 2002. Under each swap agreement, Murphy pays a fixed crude oil price and receives the average of the near-month NYMEX West Texas Intermediate crude oil prices during the agreement's contractual maturity period. In April 2000, Murphy settled contracts for 1.7 million barrels, receiving cash of $5.8 million from the counterparties, and entered into counter contracts to offset the remaining swap agreements, locking in a future net cash settlement of $1.7 million. These settlement gains will be deferred and recognized as a reduction of costs of crude oil purchases in 2001 and 2002.

At March 31, 2000, Murphy was also a party to natural gas price swap agreements for a total notional volume of 7 million MMBTU that are intended to reduce a portion of the financial exposure of its Meraux, Louisiana refinery to fluctuations in the price of natural gas purchased for fuel. The agreements are to be settled equally over the 12 months of 2004. In each month of settlement, the swaps require Murphy to pay an average natural gas price of $2.61 an MMBTU and to receive the average NYMEX Henry Hub price for the final three trading days of the month. At March 31, 2000, the estimated fair value of these agreements was a gain of $.9 million; a 10% fluctuation in the average NYMEX Henry Hub price of natural gas would have changed the estimated fair value of these swaps by $1.4 million.

OIL AND GAS OPERATING RESULTS (UNAUDITED)

Millions of dollars)	United States	Canada	United Kingdom	Ecuador	Other	Synthetic Oil - Canada	Total
THREE MONTHS ENDED MARCH 31, 2000							
Oil and gas sales and other operating revenues	$ 55.4	58.6	57.6	13.6	.7	21.4	207.3
Production costs	8.8	10.7	7.8	2.5	–	8.3	38.1
Depreciation, depletion and amortization . . .	14.1	12.7	12.0	2.0	.1	1.8	42.7
Exploration expenses							
Dry hole costs . . .	33.7	2.9	–	–	–	–	36.6
Geological and geophysical costs. .	3.5	2.6	.1	–	.3	–	6.5
Other costs	.3	.2	.2	–	1.1	–	1.8
	37.5	5.7	.3		1.4		44.9
Undeveloped lease amortization	1.8	1.2					3.0
Total exploration expenses	39.3	6.9	.3		1.4		47.9
Selling and general expenses	3.0	1.3	.8		.6		5.7
Income tax expenses (benefits)	(3.7)	9.0	14.3		.1	3.9	23.6
Results of operations (excluding corporate overhead and interest)	$ (6.1)	18.0	22.4	9.1	(1.5)	7.4	49.3
THREE MONTHS ENDED MARCH 31, 1999							
Oil and gas sales and other operating revenues	$ 40.3	22.5	23.1	4.7	.6	12.5	103.7
Production costs . . .	9.6	8.7	9.6	1.6	–	8.7	38.2
Depreciation, depletion and amortization . . .	15.7	8.9	11.0	2.1	–	1.7	39.4
Exploration expenses							
Dry hole costs . . .	13.0	2.0	–	–	–	–	15.0
Geological and geophysical costs. .	3.5	2.5	.3	–	.7	–	7.0
Other costs	.4	.2	.3	–	.7	–	1.6
	16.9	4.7	.6	–	1.4	–	23.6
Undeveloped lease amortization	1.8	.9					2.7
Total exploration expenses	18.7	5.6	.6		1.4		26.3
Selling and general expenses	4.1	1.5	.8		.3		6.7
Income tax expenses (benefits)	(3.1)	(1.0)	(.4)		.1	.7	(3.7)
Results of operations (excluding corporate overhead and interest)	$ (4.7)	(1.2)	1.5	1.0	(1.2)	1.4	(3.2)

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Following a 1998 compliance inspection of the Superior, Wisconsin refinery, the EPA gave the Company notices of violation of environmental laws. Although the penalty amounts were not listed, the statutes involved provide for rates of up to $27,500 per day of violation. The EPA has referred the matter to the U.S. Department of Justice for enforcement. The Superior refinery also received a notice of violation from the Wisconsin Department of Natural Resources for alleged failure to meet new source performance emission standards for the sulfur plant at the refinery. This item has been referred to the Wisconsin Department of Justice for enforcement. Penalties for these alleged state and federal violations could exceed $100,000. The Company believes it has valid defenses to these alleged violations and plans vigorous defenses. While the enforcement actions are in their preliminary stages and no assurance can be given, the Company does not believe that the ultimate resolution of these matters will have a material adverse effect on its financial condition.

Murphy and its subsidiaries are engaged in a number of other legal proceedings, all of which Murphy considers routine and incidental to its business and none of which is expected to have a material adverse effect on the Company's financial condition.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) The Exhibit Index on page 12 of this Form 10-Q report lists the exhibits that are hereby filed or incorporated by reference.

(b) No reports on Form 8-K were filed for the quarter ended March 31, 2000.

SIGNATURES

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 thereunto duly authorized.

MURPHY OIL CORPORATION
(Registrant)

By /s/ JOHN W. ECKART

John W. Eckart, Controller
(Chief Accounting Officer and Duly
Authorized Officer)

May 3, 2000
(Date)

EXHIBIT INDEX

Exhibit No.		Incorporated by Reference to
3.1	Certificate of Incorporation of Murphy Oil Corporation as of September 25, 1986	Exhibit 3.1 of Murphy's Form 10-K report for the year ended December 31, 1996
3.2	By-Laws of Murphy Oil Corporation as amended December 1, 1999	Exhibit 3.2 of Murphy's Form 10-K report for the year ended December 31, 1999
4	Instruments Defining the Rights of Security Holders. Murphy is party to several long-term debt instruments in addition to the ones in Exhibits 4.1 and 4.2, none of which authorizes securities exceeding 10% of the total consolidated assets of Murphy and its subsidiaries. Pursuant to Regulation S-K, item 601(b), paragraph 4(iii)(A), Murphy agrees to furnish a copy of each such instrument to the Securities and Exchange Commission upon request.	
4.1	Credit Agreement among Murphy Oil Corporation and certain subsidiaries and the Chase Manhattan Bank et al as of November 13, 1997	Exhibit 4.1 of Murphy Form 10-K report for the year ended December 31, 1997
4.2	Form of Indenture and Form of Supplemental Indenture between Murphy Oil Corporation and SunTrust Bank, Nashville, N.A., as Trustee	Exhibits 4.1 and 4.2 of Murphy's Form 8-K report filed April 29, 1999 under the Securities Exchange Act of 1934
4.3	Rights Agreement dated as of December 6, 1989 between Murphy Oil Corporation and Harris Trust Company of New York, as Rights Agent	Exhibit 4.3 of Murphy's Form 10-K report for the year ended December 31, 1999
4.4	Amendment No. 1 dated as of April 6, 1998 to Rights Agreement dated as of December 6, 1989 between Murphy Oil Corporation and Harris Trust Company of New York, as Rights Agent	Exhibit 3 of Murphy's Form 8-A/A, Amendment No. 1, filed April 14, 1998 under the Securities Exchange Act of 1934
4.5	Amendment No. 2 dated as of April 15, 1999 to Rights Agreement dated as of December 6, 1989 between Murphy Oil Corporation and Harris Trust Company of New York, as Rights Agent	Exhibit 4 of Murphy's Form 8-A/A, Amendment No. 2, filed April 19, 1999 under the Securities Exchange Act of 1934
10.1	1987 Management Incentive Plan as amended February 7,1990 retroactive to February 3, 1988	Exhibit 10.1 of Murphy's Form 10-K report for the year ended December 31, 1999
10.2	1992 Stock Incentive Plan as amended May 14, 1997	Exhibit 10.2 of Murphy's Form 10-Q report for the quarterly period ended June 30, 1997
10.3	Employee Stock Purchase Plan	Exhibit 99.01 of Murphy's Form S-8 Registration Statement filed May 19, 1997 under the Securities Act of 1933
27	Financial Data Schedule for the three months ended March 31, 2000	Filed herewith in electronic filing

~~Exhibits other than those listed above have been omitted since they either are not required or are not applicable.~~

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THIS FINANCIAL DATA SCHEDULE CONTAINS SUMMARY UNAUDITED FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEET AT MARCH 31, 2000, AND THE CONSOLIDATED STATEMENT OF INCOME FOR THE THREE MONTHS THEN ENDED OF MURPHY OIL CORPORATION AND CONSOLIDATED SUBSIDIARIES AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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3-MOS
DEC-31-2000
MAR-31-2000
54,246
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360,606
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178,285
642,189
4,855,802
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587,430
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0
0
47,433
1.05
1.05