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 (S)240.14a-11(c) or (S)240.14a-12

MURPHY OIL CORPORATION

(Name of Registrant as Specified In Its Charter)

MURPHY OIL CORPORATION

(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), or 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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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

[_] Fee paid previously with preliminary materials.

[_] Check box if any part of the fee is offset as provided by Exchange 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:

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 8, 1996, 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 1996.

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

Only stockholders of record at the close of business on March 11, 1996, 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.

W. Bayless Rowe
Secretary

El Dorado, Arkansas
April 4, 1996

PROXY STATEMENT

SOLICITATION April 4, 1996

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 8, 1996. It is expected that this Proxy Statement and related materials will first be mailed to stockholders on or about April 4, 1996.

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 other business submitted at the meeting 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 and 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 11, 1996, the record date for the meeting, the Company had outstanding 44,830,459 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 3,923,352 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 eleven directors to be elected on May 8, 1996. 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 eleven 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 except for George S. Dembroski. 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: 66	Managing Director, Retired, of The British Petroleum Company PLC, a major international oil company from 1986 to March 1, 1991.	1991	Brown and Root Ltd. London, England 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
George S. Dembroski+* Toronto, Ontario Canada Age: 61	Vice Chairman, RBC Dominion Securities Inc.	1995	Electrohome Ltd. Kitchener, Ontario, Canada
Claiborne P. Deming(S) El Dorado, Arkansas Age: 41	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: 64	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: 67	Partner, Hughes & Luce, Attorneys.	1973	None
C. H. Murphy, Jr.(S)* El Dorado, Arkansas Age: 76	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: 48	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: 38	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: 56	Partner, Nolan and Alderson, Attorneys.	1977	First Commercial Corporation Little Rock, Arkansas
Caroline G. Theus*# Alexandria, Louisiana Age: 52	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: 67	Chairman 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 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 1995 there were seven meetings of the Board of Directors, twelve meetings of the Executive Committee, four meetings of the Audit Committee, two meetings of the Executive Compensation and Nominating Committee, and two meetings of the Public Policy and Environmental Committee. All nominees 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 nonemployee 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, or 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 nonemployee 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, 1996 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.

	TYPE OF OWNERSHIP						
NAME	PERSONAL, WITH FULL VOTING AND INVESTING POWER	PERSONAL, AS BENEFICIARY OF TRUST(S)	SPOUSE AND OTHER HOUSEHOLD MEMBERS(1)	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)
B. R. R. Butler.........	2,000	--	--	--	--	2,000	--
George S. Dembroski.....	--	--	--	--	--	--	--
Claiborne P. Deming.....	99,797	382,384	88,644	471,980	31,250	1,074,055	2.4
H. Rodes Hart...........	--	--	--	264,670	--	264,670	.6
Vester T. Hughes, Jr....	3,474	--	--	--	--	3,474	--
C. H. Murphy, Jr........	1,188,361	--	3,036	2,997,312	--	4,188,709	9.3
Michael W. Murphy.......	137,195	306,696	32,049	27,927	--	503,867	1.1
R. Madison Murphy.......	112,111	610,862	81,536	619,052	--	1,423,561	3.2
William C. Nolan, Jr....	163,483	130,798	500	484,196	--	778,977	1.7
Caroline G. Theus.......	106,725	161,342	13,378	140,115	--	421,560	.9
Lorne C. Webster........	--	--	--	2,600	--	2,600	--
All directors together with seven officers as a group............	1,831,872	1,592,082	219,253	5,007,852	76,287	8,727,346	19.5

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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 and 1995, each of the directors and officers satisfied their filing requirements except for H. Rodes Hart. Mr. Hart is one of the trustees for certain trusts of which his three adult children are beneficiaries. Mr. Hart expressly disclaims beneficial ownership of shares of the Company's common stock held by the trusts. Two of the trusts made sales totalling 10,000 shares in 1994 and totalling 15,000 shares in 1995. Four reports reporting five transactions were not filed on a timely basis but have now been submitted.

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 Capital Guardian Trust Company and Capital Research and Management Company, 333 South Hope Street, Los Angeles, California. First United Bancshares, Inc. has advised the Company that it exercises voting or investment power over 2,543,419 shares of the Company's Common Stock, representing 5.7% of the total outstanding. Capital Guardian Trust Company and Capital Research and Management Company, operating subsidiaries of The Capital Group Companies, Inc., exercised as of December 29, 1995, investment discretion with respect to 232,900 and 3,350,400 shares, respectively, or a combined total of 8.0% of outstanding stock which was owned by various institutional investors.

EXECUTIVE COMPENSATION

The following table sets forth information with respect to the individual who served as the Company's chief executive officer during 1995 and the four other most highly compensated executive officers of the Company at the end of 1995:

SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION	YEAR	SALARY ($)(1)	BONUS ($)(2)	LONG-TERM COMPENSATION AWARDS: RESTRICTED STOCK AWARDS ($)(3)	LONG-TERM COMPENSATION AWARDS: SECURITIES UNDERLYING OPTIONS	ALL OTHER COMPEN-SATION (4)
Claiborne P. Deming	1995	400,008	--	--	12,000	29,728
President and Chief Executive Officer,	1994	330,840	74,873	141,750	6,500	25,132
Murphy Oil Corporation	1993	292,500	110,000	--	7,000	19,721
Enoch L. Dawkins	1995	251,674	13,433	--	8,000	19,385
President, Murphy Exploration &	1994	241,668	45,000	91,125	4,000	18,152
Production Company (a 100% subsidiary)	1993	233,250	60,000	--	4,000	15,512
Herbert A. Fox, Jr.	1995	251,674	--	--	8,000	17,760
Vice President,	1994	216,670	65,000	70,875	2,750	15,438
Murphy Oil Corporation	1993	197,505	35,000	--	3,000	12,781
Steven A. Cosse	1995	217,504	--	--	8,000	14,750
Senior Vice President and General	1994	185,335	33,500	50,625	2,250	12,738
Counsel, Murphy Oil Corporation	1993	166,670	42,500	--	2,500	10,613
Gerald McAully	1995	203,217(5)	--	--	--	4,550
President,	1994	189,412(5)	20,000(5)	70,875	2,750	3,981
Murphy Eastern Oil Corporation (a 100% subsidiary)	1993	177,540(5)	60,000(5)	--	3,000	2,188

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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) There were no grants of performance-based restricted stock in 1995. Represents the closing stock price of unrestricted stock on date of grant ($40.50 on March 2, 1994) 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 five years from the date of grant. On December 31, 1995, Mr. Deming held a total of 7,000 restricted shares having a then current value of $290,500; Mr. Dawkins held a total of 4,750 restricted shares having a then current value of $197,125; Mr. Fox held a total of 3,500

restricted shares having a then current value of $145,250; Mr. Cosse held a total of 2,500 restricted shares having a then current value of $103,750; Mr. McAully held a total of 3,500 restricted shares having a then current value of $145,250.

(4) The total amounts shown in this column for 1995 consist of the following: Mr. Deming: $9,100--Dividends on restricted stock; $20,004--Company contributions to defined contribution plan; $624--Benefit attributable to Company-owned term life insurance policy. Mr. Dawkins: $6,175--Dividends on restricted stock; $12,586--Company contributions to defined contribution plan; $624--Benefit attributable to Company-owned term life insurance policy. Mr. Fox: $4,550--Dividends on restricted stock; $12,586--Company contributions to defined contribution plan; $624--Benefit attributable to Company-owned term life insurance policy. Mr. Cosse: $3,250--Dividends on restricted stock; $10,876--Company contributions to defined contribution plan; $624--Benefit attributable to Company-owned term life insurance policy. Mr. McAully: $4,550--Dividends on restricted stock.

(5) Represents U.S. dollar equivalent. Actual payments made in British pounds sterling.

OPTION EXERCISES AND FISCAL YEAR-END VALUES

Shown below is information with respect to stock options exercised in fiscal 1995 and the fiscal year-end value of unexercised options for each officer listed in the compensation table (Named Executives).

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

NAME	SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED ($)	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTION AT FY-END (#)		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT FY-END ($)(1)	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
Claiborne P. Deming.....	--	--	25,000	22,000	$147,094	$28,312
Enoch L. Dawkins........	--	--	4,500	14,000	24,281	16,625
Herbert A. Fox, Jr......	--	--	10,000	12,250	39,719	12,078
Steven A. Cosse.........	--	--	3,250	11,500	17,609	10,000
Gerald McAully..........	--	--	15,500	4,250	72,469	12,078

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(1) 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, 1995, to the 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.....	12,000	8.45%	$43.9375	01/31/05	$163,920
Enoch L. Dawkins........	8,000	5.63%	43.9375	01/31/05	109,280
Herbert A. Fox, Jr......	8,000	5.63%	43.9375	01/31/05	109,280
Steven A. Cosse.........	8,000	5.63%	43.9375	01/31/05	109,280
Gerald McAully..........	--	--	--	--	--

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(1) No stock appreciation rights were granted in 1995.

(2) Options granted in 1995 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 1995 included the following:

. Risk-free rate of return___________________7.7%
. Stock volatility_________________________19.49%
. Future dividend yield_____________________3.10%
. Option term_____________________________10 years

Based on the Black-Scholes option pricing model, using the above assumptions, the options granted in 1995 have been valued at $13.66 per share as of the grant date.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The members of the Executive Compensation and Nominating Committee of the Board of Directors of the Company during 1995 were Messrs. Butler, Hart, C. H. Murphy, Jr., Michael W. Murphy, Nolan, Webster, and Ms. Theus.

In 1995 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) $255,667 and Munoco Company (associate of Mr. Nolan) $138,716.

COMPENSATION COMMITTEE REPORT FOR 1995

The Executive Compensation and Nominating Committee of the Board of Directors of the Company, which is comprised entirely of independent, outside directors, has prepared this Compensation Committee Report which describes the guiding principles followed by the Company in establishing its pay practices and reviews compensation decisions which were made during 1995 affecting the Company president and four other most highly compensated executive officers.

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 shareholder value.

- All pay and benefit programs are intended to be 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 range guidelines that are generally based on similar positions in companies of comparable size, complexity, and industry orientation 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. Many 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 median (50th percentile) of the competitive market which has been described to be other integrated energy companies. The actual salaries and the amount of increase for 1995 to the Named Executives were near the median levels of the salaries and increases in the referenced survey. The base salary of most officers is 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 1995.

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 median 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 upon corporate-wide financial results, while the remaining 50% is based on business unit and/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 cited for base salary comparisons. The Company uses a performance payout matrix to determine actual awards, which in most instances are based on at least two measurable financial or operational results. For 1995, these measures included the following: return on average assets, cash flow, reserve replacement ratio, finding and development costs, earnings per barrel, and similar measures related to specific business unit performance.

The Company did not meet either its corporate-wide return on average assets target or targeted cash flow goal for 1995 and as such made no annual incentive awards to corporate officers and staff participants. As stated above, 50% of incentive awards for other participants were also based on the corporate-wide 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 granted during 1995 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 for executive long-term incentives. 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 in a range between the 25th and 50th percentile competitive practices in the survey data base. The Company's stock option grants in 1995 were between the 25th and 50th percentile 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. Non-qualified stock options were granted in 1995 to all Named Executives, with the exception of Mr. McAully; however, no stock appreciation rights were granted in 1995. In addition, there were no grants of performance-based restricted stock in 1995.

The Company is continuing to study 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 Company believes that all compensation paid to the Named Executives for 1995 will be fully deductible to the Company for tax purposes.

DISCUSSION OF 1995 COMPENSATION FOR THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

Mr. Claiborne P. Deming assumed the role of President and Chief Executive Officer on October 1, 1994. He served as President and Chief Executive Officer of the Company for the complete fiscal year 1995. During 1995, the Committee made the following determinations regarding Mr. Deming's compensation:

- Mr. Deming received no base salary adjustment during 1995. When Mr. Deming was promoted on October 1, 1994 to the position of President and Chief Executive Officer, his salary was increased at that time to $400,000. As a result of this action in late 1994, the Committee did not see the requirement for a further salary adjustment during 1995.

- As noted earlier, the Company failed to reach its corporate-wide performance thresholds and targets for return on average assets and cash flow for 1995. According to the terms of the annual incentive compensation plan, Mr. Deming did not receive a cash incentive award for 1995 performance.

- On January 31, 1995, the Committee granted 12,000 non-qualified stock options to Mr. Deming. The options were granted at a share price of $43.9375, which was the share's fair market value on the date of grant. These options will vest 50% two years from the date of grant and 100% three years from the date of grant. The option grant was made in consideration of Mr. Deming's performance during the preceding fiscal year and in recognition of his promotion to President and Chief Executive Officer. The size of Mr. Deming's grant was below the 25th percentile of competitive practice based upon survey data provided by a major compensation consulting firm.

The Executive Compensation and Nominating Committee members during 1995 were Messrs. Butler, Hart, C. H. Murphy, Jr., Michael W. 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]

	1990	1991	1992	1993	1994	1995
Murphy Oil Corporation	100	90	98	113	124	125
S&P 500 Index	100	130	140	155	157	215
S&P Oil--Domestic Integrated	100	93	95	101	106	120

Data are provided by Standard & Poor's Compustat.

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, 1995 for the salary and length of service indicated. The amounts shown are subject to reduction for social security benefits.

PENSION PLAN TABLE

	YEARS OF SERVICE					
REMUNERATION(/1/)	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	140,000(/2/)	160,000(/2/)
300,000	72,000	96,000	120,000	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	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/)

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(1) During 1995, the maximum compensation limit for qualified plans, as established by the Internal Revenue Service, was $150,000. The compensation limit is unchanged in 1996.
(2) Exceeds presently allowable maximum legislative limits for annual pension benefits under a defined benefit pension plan. In 1995, the maximum benefit allowable was $120,000.

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 and Cosse are seventeen years, twenty-six years and sixteen years, respectively.

As of January 1, 1992 employees of Murphy Exploration & Production Company, formerly named Ocean Drilling & Exploration Company (ODECO), began participating 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*

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* 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 thirty 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 1995 and therefore no contributions were made.

Murphy Eastern Oil Company has a non-contributory Retirement Benefit Plan in which officers participate on the same basis as other employees. Under the plan, a retired employee will receive a monthly payment equal to 1/60 of his monthly basic pay (bonuses and other form of additional compensation are excluded) for each year of employment and based on the final 12 months of salary. The amount will fluctuate depending on the number of years of employment and is subject to social security limits.

The following table indicates the estimated annual benefit computed on a straight line annuity basis paid at age 65 under the Murphy Eastern Oil Company Plan for the salary and length of service indicated. The benefits are computed on the basis of the British pounds sterling.

PENSION PLAN TABLE

REMUNERATION	YEARS OF SERVICE 15	20	25	30	35
(Pounds)100,000.........	(Pounds)25,000	(Pounds)33,333	(Pounds)41,667	(Pounds) 50,000	(Pounds) 58,333
125,000.........	31,250	41,667	52,083	62,500	72,917
150,000.........	37,500	50,000	62,500	75,000	87,500
175,000.........	43,750	58,333	72,917	87,500	102,083
200,000.........	50,000	66,667	83,333	100,000	116,667

The above table does not reflect the actuarial reductions required by the plan for retirement earlier than age 62.

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

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 1996. 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 1996 will be permitted to stand unless the Board finds other good reason for making a change.

STOCKHOLDER PROPOSALS

Stockholder proposals for the 1997 Annual Meeting of stockholders must be received by the Company at its executive offices on or before December 2, 1996 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 4, 1996

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]
[MURPHY OIL CORPORATION LOGO APPEARS HERE]

[SPUR LOGO
APPEARS HERE]

NOTICE OF
ANNUAL MEETING
AND
PROXY STATEMENT

ANNUAL MEETING
OF STOCKHOLDERS
EL DORADO, ARKANSAS

MAY 8, 1996

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PLEASE MARK VOTE IN OVAL USING DARK INK ONLY. [x]

[ ]

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" EACH OF THE LISTED PROPOSALS.

	For	Withhold	For All (Except Nominee(s) written below)
1. ELECTION OF DIRECTORS-- B.R.R. Butler, G.S. Dembroski, 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	Against	Abstain
2. Ratify the appointment of KPMG Peat Marwick LLP as auditors.	[_]	[_]	[_]

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Dated_________ , 1996

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

PROXY SOLICITED BY BOARD OF DIRECTORS FOR ANNUAL MEETING, MAY 8, 1996

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 8, 1996, 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.

(continued on reverse side)