

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

FORM 8-K

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

Date of report (Date of earliest event reported): May 3, 2007

MURPHY OIL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-8590
(Commission File Number)

71-0361522
(IRS Employer
Identification No.)

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

71731-7000
(Zip Code)

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

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

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

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

Item 8.01. Other Events

The following information is furnished pursuant to item 8.01, "Other Events."

Murphy Oil Corporation's wholly owned subsidiary, Murphy Oil USA, Inc. (Company), has entered into an agreement with Wal-Mart Stores, Inc. to purchase parcels of property which the Company currently leases from Wal-Mart for its Murphy USA[®] retail gasoline stations. The Company expects to incur capital expenditures of approximately \$315 million during the 2007-2008 period associated with this purchase. In conjunction with this agreement, the Company plans to close up to 47 existing stations and will incur after-tax impairment and restoration costs of approximately \$18 million in the second quarter of 2007. The full text of this press release is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

99.1 A news release dated May 3, 2007 announcing an agreement with Wal-Mart Stores, Inc. to purchase parcels of property which the Company currently leases from Wal-Mart is attached hereto as Exhibit 99.1.

Signature

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

MURPHY OIL CORPORATION

By: /s/ John W. Eckart

John W. Eckart

Vice President and Controller

Date: May 4, 2007

Exhibit Index

99.1 Press release dated May 3, 2007, as issued by Murphy Oil Corporation.

**MURPHY OIL ANNOUNCES ACQUISITION OF PROPERTY
FOR MURPHY USA GASOLINE STATIONS**

EL DORADO, Arkansas, May 3, 2007 – Murphy Oil Corporation (NYSE:MUR) announced today that its wholly owned subsidiary, Murphy Oil USA, Inc. (Company), has entered into an Agreement with Wal-Mart Stores, Inc. and subsidiaries to purchase parcels of property which the Company currently leases from Wal-Mart for its Murphy USA® retail gasoline stations.

Murphy USA's retail presence currently covers twenty-one states primarily in the Southeast and upper Midwest. As a result of this transaction, capital expenditures for the Company are expected to increase by up to approximately \$315 million during the 2007/2008 period.

Under the terms of the Agreement, the conveyance of the parcels will occur in multiple phases over the next year. Expansion of the Murphy USA program will continue with additional opportunities to purchase new site locations in the future. In conjunction with this agreement, the Company plans to close up to 47 locations and incur after-tax impairment and restoration costs of approximately \$18 million in the second quarter of 2007 which was not included in previously issued earnings guidance.

Claiborne P. Deming, Murphy Oil Corporation's President and Chief Executive Officer, commented, "The purchase of these parcels reflects our commitment to sustaining the longevity of these very productive assets. We look forward to continuing our association with Wal-Mart as we expand our station base in the future while adhering to our strategy of offering high quality, competitively priced gasoline to our customers."

The forward-looking statements reflected in this release are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. No assurance can be given that the results discussed herein will be attained, and certain important factors that may cause actual results to differ materially are contained in Murphy's January 15, 1997 Form 8-K report on file with the U.S. Securities and Exchange Commission.

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