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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 September 30, 1995

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

(State or other jurisdiction of
incorporation or organization)

71-0361522

(I.R.S. Employer
Identification Number)

200 PEACH STREET

P. O. BOX 7000, EL DORADO, ARKANSAS

(Address of principal executive offices)

71731-7000

(Zip Code)

(501) 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
September 30, 1995 was 44,833,507.

PART I - FINANCIAL INFORMATION

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

Table with 3 columns: Description, (Unaudited) September 30, 1995, and December 31, 1994. Rows include ASSETS, Current assets, Cash and cash equivalents, Accounts receivable, Inventories, Crude oil and raw materials, Finished products, Materials and supplies, Prepaid expenses, and Deferred income taxes.

Total current assets	512,305	519,112
Investments and noncurrent receivables	44,006	28,592
Property, plant, and equipment, at cost less accumulated depreciation, depletion, and amortization of \$2,482,591 in 1995 and \$2,350,578 in 1994	1,721,503	1,722,661
Deferred charges and other assets	37,795	41,667
	-----	-----
	\$ 2,315,609	2,312,032
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities

Current maturities of long-term obligations	\$ 7,615	7,615
Accounts payable and accrued liabilities	352,568	403,553
Income taxes	33,645	28,350
	-----	-----
Total current liabilities	393,828	439,518

Notes payable and other long-term obligations	25,687	49,814
Nonrecourse debt of a subsidiary	172,850	122,638
Deferred income taxes	135,775	140,610
Reserve for dismantlement costs	148,568	138,894
Reserve for major repairs	5,138	3,244
Deferred credits and other liabilities	145,749	146,635

Stockholders' equity

Capital stock

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	507,713	507,797
Retained earnings	821,077	820,568
Currency translation adjustments	14,178	(2,403)
Unamortized restricted stock awards	(691)	(993)
Treasury stock, 3,941,807 shares of Common Stock in 1995, 3,942,868 shares in 1994, at cost	(103,038)	(103,065)
	-----	-----
Total stockholders' equity	1,288,014	1,270,679

	\$ 2,315,609	2,312,032
	=====	=====

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 September 30,		Nine Months Ended September 30,	
	----- 1995 -----	----- 1994* -----	----- 1995 -----	----- 1994* -----
REVENUES				
Sales	\$ 400,592	431,789	1,227,954	1,228,599
Other operating revenues	19,706	14,536	47,392	41,229
Interest, income from equity companies, and other nonoperating revenues	2,913	22,843	18,001	27,594
	-----	-----	-----	-----
Total revenues	423,211	469,168	1,293,347	1,297,422
	-----	-----	-----	-----
COSTS AND EXPENSES				
Crude oil, products, and related operating expenses	313,754	335,454	944,649	932,602
Exploration expenses, including undeveloped lease amortization	31,166	10,779	48,169	30,869
Selling and general expenses	16,253	16,437	51,031	50,568
Depreciation, depletion, and amortization	59,372	48,282	180,548	148,200
Interest expense	3,562	4,023	10,849	9,034
Interest capitalized	(2,200)	(3,696)	(6,423)	(6,574)
	-----	-----	-----	-----
Total costs and expenses	421,907	411,279	1,228,823	1,164,699
	-----	-----	-----	-----
Income before income taxes	1,304	57,889	64,524	132,723
Federal and state income taxes (benefits)	(7,870)	14,048	4,295	38,886
Foreign income taxes	1,560	6,572	16,025	5,364
	-----	-----	-----	-----
NET INCOME	\$ 7,614	37,269	44,204	88,473
	=====	=====	=====	=====
Average Common shares outstanding	44,873,958	44,905,656	44,871,900	44,884,779
Net income per Common share	\$.17	.83	.99	1.97
	=====	=====	=====	=====
Cash dividends per Common share	\$.325	.325	.975	.975
	=====	=====	=====	=====

*Restated to conform to 1995 presentation.

See Notes to Consolidated Financial Statements, page 4.

Murphy Oil Corporation and Consolidated Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
Nine Months Ended September 30, 1995 and 1994
(Thousands of dollars)

	1995	1994
	-----	-----
OPERATING ACTIVITIES		
Net income	\$ 44,204	88,473
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation, depletion, and amortization	180,548	148,200
Provision for major repairs	18,997	16,522
Expenditures for major repairs and dismantlement costs	(13,425)	(19,381)
Exploratory expenditures charged against income	40,021	22,637
Amortization of undeveloped leases	8,148	8,232
Deferred and noncurrent income tax charges (credits)	(15,714)	10,181
Gains from disposition of assets	(3,160)	(1,112)
Other - net	2,391	(9,193)
	-----	-----
	262,010	264,559
Net (increase) decrease in operating working capital other than cash and cash equivalents	(50,343)	12,340
Net recoveries (expenditures) on insurance claim to repair hurricane damage	(755)	16,224
Other adjustments related to operating activities	(2,114)	(10,233)
	-----	-----
Net cash provided by operating activities	208,798	282,890
	-----	-----
INVESTING ACTIVITIES		
Capital expenditures requiring cash	(203,896)	(290,612)
Proceeds from sale of property, plant, and equipment	8,342	4,143
Other - net	(7,932)	(765)
	-----	-----
Net cash required by investing activities	(203,486)	(287,234)
	-----	-----
FINANCING ACTIVITIES		
Increase (decrease) in notes payable and other long-term obligations	(24,127)	127
Increase in nonrecourse debt of a subsidiary	50,212	31,531
Dividends paid	(43,694)	(43,670)
	-----	-----
Net cash required by financing activities	(17,609)	(12,012)
	-----	-----
Effect of exchange rate changes on cash and cash equivalents	837	1,282
	-----	-----
Net decrease in cash and cash equivalents	(11,460)	(15,074)
Cash and cash equivalents at January 1	71,144	141,225
	-----	-----
Cash and cash equivalents at September 30	\$ 59,684	126,151
	=====	=====
SUPPLEMENTAL DISCLOSURES OF CASH FLOW ACTIVITIES		
Cash income taxes paid, net of refunds	\$ 23,189	26,706
	=====	=====
Interest paid, net of amounts capitalized	\$ 1,129	(2,208)
	=====	=====

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 report on Form 10-Q.

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, 1994. In the opinion of the Company's management, the unaudited financial statements presented herein include all adjustments (consisting only of normal, recurring accruals) necessary to present fairly the Company's financial position at September 30, 1995, and the results of operations and cash flows for the three-month and nine-month periods ended September 30, 1995 and 1994, in conformity with generally accepted accounting principles.

Financial statements and notes to consolidated financial statements included in this report on Form 10-Q should be read in conjunction with the Company's 1994 Annual Report on Form 10-K, as certain notes and other pertinent information have been abbreviated in or omitted from this report.

Financial results for the nine months ended September 30, 1995 are not necessarily indicative of future results.

NOTE B - ENVIRONMENTAL CONTINGENCIES

The Company's worldwide operations are subject to numerous laws and regulations designed to protect the environment and/or impose remediation obligations. In addition, the Company may be involved in personal injury claims, allegedly caused by exposure to materials manufactured or used in the Company's operations. The Company currently operates or has previously operated certain sites or facilities, including refineries, oil and gas fields, service stations, and terminals, for which known or potential obligations for environmental remediation exist.

Under the Company's accounting policies, liabilities for environmentally related obligations are recorded when such obligations are probable and the cost can be reasonably estimated. In instances where there is a range of reasonably estimated costs, the Company will record the most likely amount, or if no amount is most likely, the minimum of the range. Amounts recorded as liabilities are reviewed quarterly and adjusted as needed. Actual cash expenditures often occur a number of years following recognition of the liabilities.

The Company's reserve for remediation 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 of proposed remediation processes involving refinery water basins and a land farm, formerly used for disposal of refinery waste. If regulatory authorities require more costly alternatives than the proposed processes, future expenditures could increase by up to an estimated \$6 million above the amount reserved.

The Company has received notices from the U.S. Environmental Protection Agency that it is a Potentially Responsible Party (PRP) at five Superfund sites and has been assigned responsibility by defendants at another Superfund site. The potential total cost to all parties of performing necessary remediation work at these sites is substantial. However, based on information currently available, the Company is a "de minimus" party, with assigned or potentially assigned responsibility of less than one percent at all but one of the sites. At that site, the Company has not determined either its potentially assigned responsibility percentage or its potential total remediation cost. The Company has recorded a reserve totaling \$.1 million for Superfund sites, and due to currently available information on one site and the minor percentages involved at the other sites, the Company does not expect that its related remediation costs will be material to its financial condition. 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 PRP's or indications of additional responsibility by the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

NOTE B - ENVIRONMENTAL CONTINGENCIES (CONTD.)

Although the Company is not aware of any environmental matters that might have a material effect on its financial condition, there is the possibility that additional expenditures could be required at currently unidentified sites, and new or revised regulatory requirements could necessitate additional expenditures at known sites. Such expenditures could have a material impact on the results of operations in a future period.

The Company believes that certain of its environmental remediation obligations are covered by insurance; however, this issue is the subject of ongoing litigation and no assurance can be given that the Company's position will be sustained. Therefore, the environmental liabilities recorded at September 30, 1995 have not been reduced for any possible insurance recoveries.

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 U.S. and throughout the world. Examples of such governmental action include, but are by no means limited to: tax increases and retroactive tax claims; restrictions on production; 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 issuance of oil and gas or mineral leases; laws and regulations intended for the promotion of safety; 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 which such actions may take, or the effect such actions may have on the Company.

In the normal course of its business activities, 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 September 30, 1995, the Company had contingent liabilities of \$19.3 million on outstanding letters of credit. A contingent liability of \$14.2 million existed at September 30, 1995 under a guaranty and pipeline throughput agreement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

NOTE D - BUSINESS SEGMENTS

(Millions of dollars)	Three Months Ended September 30, 1995		Three Months Ended September 30, 1994	
	Revenues	Income	Revenues*	Income
Petroleum				
Exploration and production**				
United States	\$ 49.3	(8.9)	46.0	.7
Canada	37.4	6.3	35.7	6.2
United Kingdom	28.3	.9	24.1	1.0
Other international	9.4	(3.3)	8.1	1.9
	124.4	(5.0)	113.9	9.8
Refining, marketing, and transportation				
United States	249.8	2.0	267.6	7.5
Western Europe	64.1	.6	81.3	2.4
Canada	6.1	1.6	6.8	2.0
	320.0	4.2	355.7	11.9
Intrasegment transfers elimination	444.4 (43.4)	(.8)	469.6 (43.9)	21.7
Total petroleum	401.0	(.8)	425.7	21.7
Farm, timber, and real estate--United States				
Corporate and other	19.3	1.3	20.6	3.1
	1.8	(1.0)	1.8	(1.4)
Revenues/income (loss) before unusual or infrequently occurring items	422.1	(.5)	448.1	23.4
Settlement of tax matters.....	1.1	8.1	-	-
Settlement of DOE matters, net of taxes	-	-	21.0	13.9
	\$ 423.2	7.6	469.1	37.3

(Millions of dollars)	Nine Months Ended September 30, 1995		Nine Months Ended September 30, 1994	
	Revenues	Income	Revenues*	Income
Petroleum				
Exploration and production**				
United States	\$ 151.1	(.6)	165.5	15.3
Canada	107.0	18.0	92.8	11.0
United Kingdom	91.1	4.8	68.2	2.4
Other international	31.2	(.4)	16.3	4.4
	380.4	21.8	342.8	33.1
Refining, marketing, and transportation				
United States	758.0	1.8	698.8	17.0
Western Europe	185.9	(1.4)	228.2	3.6
Canada	17.6	4.7	19.9	5.6
	961.5	5.1	946.9	26.2
Intrasegment transfers elimination	1,341.9 (127.3)	26.9	1,289.7 (87.0)	59.3
Total petroleum	1,214.6	26.9	1,202.7	59.3
Farm, timber, and real estate--United States				
Corporate and other	60.7	8.6	67.1	15.8
	5.9	(6.4)	6.6	(6.9)
Revenues/income before unusual or infrequently occurring items	1,281.2	29.1	1,276.4	68.2
Settlement of tax matters	1.1	8.1	-	6.4
Adjustment of estimates for self-insured liabilities, net of taxes	11.0	7.0	-	-
Settlement of DOE matters, net of taxes	-	-	21.0	13.9

\$1,293.3 44.2 1,297.4 88.5
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*Restated to conform to 1995 presentation.

**Additional details are presented in the tables on page 11.

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

RESULTS OF OPERATIONS

THREE MONTHS ENDED SEPTEMBER 30, 1995 COMPARED TO THREE MONTHS ENDED SEPTEMBER 30, 1994

Net income for the third quarter of 1995 totaled \$7.6 million, \$.17 a share, compared to \$37.3 million, \$.83 a share, earned in the third quarter a year ago. The current quarter included a benefit of \$8.1 million, \$.18 a share, resulting from settlement of tax matters in the U.S. and U.K., while the third quarter of 1994 included a benefit of \$13.9 million, \$.31 a share, from settlement of a U.S. Department of Energy (DOE) Proposed Remedial Order.

Excluding the unusual items, results for the third quarter of 1995 reflected a loss of \$.5 million, \$.01 a share, compared to earnings of \$23.4 million, \$.52 a share, in the same period of 1994, with each operating segment down from a year ago. Exploration and production operations for the 1995 quarter were adversely affected by a \$13.6 million after-tax charge for an unsuccessful well in Mobile Block 908, generally lower crude oil sales prices, lower U.S. and Canadian natural gas sales prices, and an increase in international exploration activity. Partial offsets were provided by a 12-percent increase in crude oil and gas liquids production and a 10-percent increase in natural gas production. The decline in earnings from refining, marketing, and transportation operations was primarily due to lower unit margins and a decrease in sales of refined products in the U.S., while the decline in farm, timber, and real estate activities was primarily due to lower income from timber operations.

Worldwide exploration and production operations had a loss of \$5 million in the third quarter of 1995 compared to earnings of \$9.8 million a year ago. Operations in the U.S., which included the \$13.6 million after-tax charge for the Mobile Block 908 well, had a loss of \$8.9 million compared to earnings of \$7.7 million in the third quarter of 1994. Operations in Canada earned \$6.3 million in the current quarter, up from \$6.2 million a year ago, and U.K. operations earned \$.9 million compared to \$1 million. Other international operations reported a loss of \$3.3 million compared to earnings of \$1.9 million a year earlier; the current quarter included a loss of \$2.5 million related to exploration activity offshore China. The Company's crude oil and condensate sales prices averaged \$15.89 a barrel in the U.S., a decrease of three percent. In Canada, sales prices averaged \$16.54 a barrel for synthetic oil, a decline of four percent. The average sales price for heavy oil in Canada was \$12.56 a barrel, up four percent from a year ago, while the average price of light oil at \$16.04 a barrel was basically unchanged. Total crude oil and gas liquids production averaged 59,582 barrels a day compared to 53,340 in the third quarter of 1994. U.S. production increased two percent, and U.K. production increased 20 percent. In Canada, light oil production declined four percent, heavy oil production increased 37 percent, and production of synthetic oil declined five percent. Production from Ecuador averaged 5,080 barrels a day compared to 2,501 a year ago. Murphy's average natural gas sales price in the U.S. was \$1.48 a thousand cubic feet (MCF) in the current quarter compared to \$1.78 a year ago, a decrease of 17 percent. The average natural gas sales price in Canada declined from \$1.25 an MCF to \$.87, down 30 percent. The average sales price in Spain was \$3.00 an MCF, an increase of 13 percent. Total natural gas sales averaged 230 million cubic feet a day compared to 209 million a year ago. Sales of natural gas in the U.S. averaged 179 million cubic feet a day, up from 159 million. Exploration expenses totaled \$31.2 million in the current quarter compared to \$10.8 million a year ago. The current quarter included \$21.3 million of dry hole cost for the well at Mobile Block 908. The tables on page 11 provide additional details of the results of exploration and production operations for the third quarter of each year.

Earnings from worldwide refining, marketing, and transportation operations totaled \$4.2 million in the current quarter compared to \$11.9 million a year ago. Operations in the U.S. earned \$2 million, down from \$7.5 million a year ago, while those in Western Europe earned \$.6 million in the current quarter compared to \$2.4 million in the third quarter of 1994. Earnings from purchasing, transporting, and reselling crude oil in Canada were \$1.6 million in the current quarter compared to \$2 million a year ago. Refinery crude runs were 155,728 barrels a day compared to 157,056 in the third quarter of 1994. Refined product sales were 162,400 barrels a day, down from 174,549 a year ago.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTD.)

RESULTS OF OPERATIONS (CONTD.)

Earnings from farm, timber, and real estate totaled \$1.3 million, a decrease of 58 percent compared to the third quarter of 1994; the decrease was mainly due to earnings from timber operations declining 46 percent. Finished lumber prices were down 11 percent, and the average margin of the sawmills was down 74 percent, reflecting higher log costs and lower lumber prices. Partial offsets were provided by an increase in the pine sawtimber harvest from 4.1 million board feet to 5.8 million in the current quarter and a 22-percent increase in the average sales price for sawtimber. Eighteen lots were sold at the Chenal Valley development in western Little Rock during the third quarter of 1995 compared to 20 a year ago.

Corporate functions reflected losses of \$1 million in the current quarter compared to \$1.4 million in the third quarter of 1994.

NINE MONTHS ENDED SEPTEMBER 30, 1995 COMPARED TO NINE MONTHS ENDED SEPTEMBER 30, 1994

Earnings for the nine months ended September 30, 1995 totaled \$44.2 million, \$.99 a share, compared to \$88.5 million, \$1.97 a share, in 1994. In addition to the \$8.1 million, \$.18 a share, from settlement of tax matters in the current quarter referred to previously, the nine months ended September 30, 1995 also included a benefit of \$7 million, \$.16 a share, from adjusting amounts previously reserved for matters in which the Company is self-insured. Results of the first nine months of 1994 reflected a benefit of \$6.4 million, \$.14 a share, for settlement of tax matters in the U.K. as well as the DOE settlement of \$13.9 million, \$.31 a share, referred to previously.

Excluding the unusual items, earnings for the first nine months of 1995 totaled \$29.1 million, \$.65 a share, compared to \$68.2 million, \$1.52 a share, for the 1994 period; earnings declined significantly in each of the operating segments. Earnings from exploration and production activities decreased 34 percent because the effects of higher crude oil and gas liquids volumes and prices and higher natural gas volumes were more than offset by the effects of the after-tax charge for the Mobile Block 908 well and lower natural gas prices in the U.S. and Canada; and earnings from refining, marketing, and transportation operations were down 81 percent, primarily because of lower unit margins. Farm, timber, and real estate operations were down 46 percent as the effects of lower sawtimber volume harvested, lumber prices, sawmill margins, and lot sales were only partially offset by a higher average price for sawtimber and increased lumber sales volume.

Earnings from exploration and production for the nine months ended September 30, 1995 were \$21.8 million, down from \$33.1 million in 1994. U.S. operations were adversely affected by the charge for the Mobile Block 908 well, dropping from income of \$15.3 million in 1994 to a loss of \$.6 million, and other international operations dropped from income of \$4.4 million to a loss of \$.4 million, primarily the result of a higher level of exploration activity. Canadian earnings increased from \$11 million to \$18 million, while U.K. earnings doubled from \$2.4 million to \$4.8 million. The Company's crude oil and condensate sales prices averaged \$16.64 a barrel in the U.S. and \$17.00 in the U.K., an increase of 10 percent over 1994 in each area. In Canada, 1995 sales prices averaged \$16.72 a barrel for light oil, \$13.07 for heavy oil, and \$17.34 for synthetic oil, reflecting increases of 16 percent, 28 percent, and 11 percent, respectively. The average price for Ecuadoran crude rose 14 percent from last year to \$13.58 a barrel. Natural gas prices for the first nine months of 1995 averaged \$1.54 an MCF in the U.S., down 24 percent, and \$.97 in Canada, down 33 percent. On the favorable side, natural gas prices were \$2.92 an MCF in Spain, up 17 percent, and \$2.47 in the U.K., up three percent. Total crude oil and gas liquids production in the first nine months of 1995 averaged 57,018 barrels a day compared to 49,729 in the same period of 1994. Ecuadoran production, which commenced in June 1994, averaged 5,034 barrels a day, up from 1,104 last year. In other areas, crude oil and gas liquids production averaged 15,034 barrels a day in the U.K., up 15 percent; 13,896 in the U.S., up five percent; 8,840 for Canadian synthetic oil, down three percent; 8,795 for Canadian heavy oil, up 32 percent; 5,262 for Canadian light oil, down six percent; and 157 in other international areas, down 85 percent. Natural gas sales volumes averaged 258 million cubic feet a day in the first nine months of 1995, up two percent from a year ago. Natural gas volumes were virtually unchanged in the U.S., but increased 13 percent in Canada and 29

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTD.)

RESULTS OF OPERATIONS (CONTD.)

percent in the U.K. while decreasing eight percent in Spain. Exploration expenses, including \$21.3 million of dry hole cost for the well at Mobile Block 908, totaled \$48.2 million, up \$17.3 million from the first nine months of 1994. Supporting tables on page 11 provide additional details of the results of exploration and production operations for the first nine months of each year.

Refining, marketing, and transportation operations earned \$5.1 million in the first nine months of 1995 compared to \$26.2 million a year earlier; the unfavorable change was primarily because competitive market conditions did not allow higher crude oil costs to be completely passed on to customers through higher product prices. Operations in the U.S. recorded earnings of \$1.8 million in the 1995 period compared to \$17 million in the first nine months of 1994, and operations in Western Europe recorded a loss of \$1.4 million compared to earnings of \$3.6 million in the prior period. Profits from purchasing, transporting, and reselling crude oil in Canada were \$4.7 million in the first nine months of 1995 compared to \$5.6 million in 1994, with the decline due mostly to lower income from crude trading activities. Refinery crude runs were 154,032 barrels a day compared to 150,148 a year ago. Petroleum product sales were 159,495 barrels a day, down from 165,092 in 1994.

Although sawtimber prices showed continued strength, earnings from farm, timber, and real estate operations dropped from \$15.8 million in the first nine months of 1994 to \$8.6 million. Results in 1995 were adversely affected by a reduction in the amount of sawtimber harvested, lower sawmill margins, and the sale of fewer lots in the Chenal Valley development in western Little Rock. Harvested sawtimber declined from 38.3 million board feet in the first nine months of 1994 to 31.1 million in the current year, but the average sales price was up 14 percent. Lumber prices were down 10 percent, and sawmill margins were down 76 percent because of lower lumber prices and higher log costs. During the first nine months of 1995, 43 lots were sold at Chenal Valley compared to 95 a year ago.

Financial results from corporate functions improved slightly, reflecting losses of \$6.4 million in the first nine months of 1995 and \$6.9 million a year ago.

FINANCIAL CONDITION

Cash provided by operating activities was \$208.8 million for the nine months ended September 30, 1995 compared to \$282.9 million for the same period in 1994. The 1995 amount included benefits of \$8.1 million for settlement of tax matters and \$7 million for adjustment of estimates for self-insured liabilities, while the 1994 amount included \$5.3 million from the settlement of DOE matters. Changes in operating working capital other than cash and cash equivalents required cash of \$50.3 million for the first nine months of 1995 while providing cash of \$12.3 million in the 1994 period. The first nine months of 1994 also benefited from net recoveries of \$16.2 million on an insurance claim to repair 1992 hurricane damage. Cash provided by operating activities was reduced by expenditures for refinery turnarounds and abandonment of oil and gas properties totaling \$13.4 million in the current year and \$19.4 million in 1994. Predominant uses of cash in both years were for capital expenditures (which, including amounts expensed, are summarized in the following table) and payment of dividends.

(Millions of dollars)	1995	1994
Exploration and production	\$166.7	216.9
Refining, marketing, and transportation	30.9	62.4
Farm, timber, and real estate	5.2	7.3
Corporate and other	1.1	4.0
	\$203.9	290.6

Working capital at September 30, 1995 was \$118.5 million, up \$38.9 million from December 31, 1994. This level of working capital does not fully reflect the Company's liquidity position, because the lower historical costs assigned to inventories under LIFO accounting were \$68.4 million below current costs at September 30, 1995.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTD.)

FINANCIAL CONDITION (CONTD.)

At September 30, 1995, nonrecourse debt of a subsidiary was \$172.8 million; the increase of \$50.2 million during the first nine months of 1995 was attributable to financing the Company's share of development cost for the period that related to the Hibernia oil field, offshore Newfoundland. This increase was partially offset by a decrease of \$24.1 million in notes payable and other long-term obligations. A summary of capital employed at September 30, 1995 and December 31, 1994 follows.

(Millions of dollars)	1995		1994	
	Amount	%	Amount	%
Notes payable and other long-term obligations.....	\$ 25.7	2	49.8	3
Nonrecourse debt of a subsidiary...	172.8	11	122.6	9
Stockholders' equity.....	1,288.0	87	1,270.7	88
	\$1,486.5	100	1,443.1	100

OIL AND GAS OPERATING RESULTS*

(Millions of dollars)	United States	Canada	United King- dom	Other	Sub- total	Synthetic Oil - Canada	Total
THREE MONTHS ENDED							
SEPTEMBER 30, 1995							
Oil and gas sales and operating revenues	\$ 49.3	22.5	28.3	9.4	109.5	14.9	124.4
Production costs	13.0	7.5	10.7	3.7	34.9	10.2	45.1
Depreciation, depletion, and amortization	21.7	5.8	14.9	4.3	46.7	1.3	48.0
Exploration expenses							
Dry hole costs	21.2	.3	.1	1.3	22.9	-	22.9
Geological and geophysical costs	2.2	-	.5	1.6	4.3	-	4.3
Other costs	.6	.1	.3	.4	1.4	-	1.4
	24.0	.4	.9	3.3	28.6	-	28.6
Undeveloped lease amortization	1.6	.5	-	.5	2.6	-	2.6
Total exploration expenses	25.6	.9	.9	3.8	31.2	-	31.2
Selling and general expenses	3.2	1.6	.9	.5	6.2	-	6.2
Income tax provisions (benefits)	(5.3)	2.6	-	.4	(2.3)	1.2	(1.1)
Results of operations (excluding corporate overhead and interest)	\$ (8.9)	4.1	.9	(3.3)	(7.2)	2.2	(5.0)
=====							
THREE MONTHS ENDED							
SEPTEMBER 30, 1994**							
Oil and gas sales and operating revenues	\$ 46.0	20.0	24.1	8.1	98.2	15.7	113.9
Production costs	12.3	6.3	8.9	3.8	31.3	10.9	42.2
Depreciation, depletion, and amortization	19.7	4.7	11.7	1.5	37.6	1.4	39.0
Exploration expenses							
Dry hole costs	5.0	.2	-	-	5.2	-	5.2
Geological and geophysical costs	1.0	.1	-	.4	1.5	-	1.5
Other costs	.9	.1	.2	.1	1.3	-	1.3
	6.9	.4	.2	.5	8.0	-	8.0
Undeveloped lease amortization	2.1	.7	-	-	2.8	-	2.8
Total exploration expenses	9.0	1.1	.2	.5	10.8	-	10.8
Selling and general expenses	3.4	1.2	.8	.4	5.8	-	5.8
Income tax provisions	.9	2.7	1.5	-	5.1	1.2	6.3
Results of operations (excluding corporate overhead and interest)	\$.7	4.0	1.0	1.9	7.6	2.2	9.8
=====							
NINE MONTHS ENDED							
SEPTEMBER 30, 1995							
Oil and gas sales and operating revenues	\$151.1	64.5	91.1	31.2	337.9	42.5	380.4
Production costs	39.7	19.7	28.9	10.7	99.0	28.6	127.6
Depreciation, depletion, and amortization	69.9	16.3	45.4	12.0	143.6	3.5	147.1
Exploration expenses							
Dry hole costs	22.0	1.5	.7	1.3	25.5	-	25.5
Geological and geophysical costs	4.5	1.4	.9	2.7	9.5	-	9.5
Other costs	2.0	.4	1.0	1.6	5.0	-	5.0

	28.5	3.3	2.6	5.6	40.0	-	40.0
Undeveloped lease amortization	5.1	1.9	-	1.2	8.2	-	8.2
Total exploration expenses	33.6	5.2	2.6	6.8	48.2	-	48.2
Selling and general expenses	10.3	4.1	2.7	1.2	18.3	.1	18.4
Income tax provisions (benefits)	(1.8)	7.7	6.7	.9	13.5	3.8	17.3
Results of operations (excluding corporate overhead and interest)	\$ (.6)	11.5	4.8	(.4)	15.3	6.5	21.8

NINE MONTHS ENDED
SEPTEMBER 30, 1994**

Oil and gas sales and operating revenues	\$165.5	53.8	68.2	16.3	303.8	39.0	342.8
Production costs	39.9	17.8	24.4	7.3	89.4	30.2	119.6
Depreciation, depletion, and amortization	68.9	14.7	31.5	2.3	117.4	3.8	121.2
Exploration expenses							
Dry hole costs	7.7	1.9	1.9	-	11.5	-	11.5
Geological and geophysical costs	4.2	1.4	.7	.8	7.1	-	7.1
Other costs	2.3	.5	.9	.4	4.1	-	4.1
Undeveloped lease amortization	14.2	3.8	3.5	1.2	22.7	-	22.7
Total exploration expenses	20.4	5.8	3.5	1.2	30.9	-	30.9
Selling and general expenses	10.2	3.5	2.4	1.1	17.2	.1	17.3
Income tax provisions	10.8	4.2	4.0	-	19.0	1.7	20.7
Results of operations (excluding corporate overhead and interest)	\$ 15.3	7.8	2.4	4.4	29.9	3.2	33.1

*Excludes unusual or infrequently occurring items.

**Restated to conform to 1995 presentation.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

- (a) One of the Company's subsidiaries, Murphy Oil USA, Inc., owns and operates two oil refineries in the U.S. This subsidiary is a defendant in two governmental actions that (1) seek monetary sanctions of \$100,000 or more, and (2) arise under enacted provisions that regulate the discharge of materials into the environment or have the purpose of protecting the environment. These actions are not material to the financial condition of the Company either individually or in the aggregate.
- (b) The Company and its subsidiaries are engaged in a number of other legal proceedings, all of which the Company considers routine and incidental to its business and none of which is material as defined by the rules and regulations of the U.S. Securities and Exchange Commission.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

- (a) Exhibit index - Exhibits other than the one listed below have been omitted since they either are not required or are not applicable.

Exhibit 27 - Financial Data Schedule - included only in electronic filing.
- (b) No reports on Form 8-K have been filed for the quarter covered by this report.

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/ Ronald W. Herman

Ronald W. Herman, Controller
(Chief Accounting Officer and Duly
Authorized Officer)

November 10, 1995
(Date)

THIS FINANCIAL DATA SCHEDULE CONTAINS SUMMARY UNAUDITED FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEET AT SEPTEMBER 30, 1995, AND THE CONSOLIDATED STATEMENT OF INCOME FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1995, OF MURPHY OIL CORPORATION AND CONSOLIDATED SUBSIDIARIES AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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9-MOS		
	DEC-31-1995	
	SEP-30-1995	
		59,684
		0
		204,296
		5,801
		195,474
		512,305
		4,204,094
		2,482,591
		2,315,609
	393,828	
		198,537
		48,775
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		0
		1,239,239
2,315,609		
		1,227,954
	1,293,347	
		1,125,197
		1,125,197
		48,169
		0
		4,426
		64,524
		20,320
	44,204	
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		0
		0
		44,204
		.99
		.99