Murphy Oil Provides Third Quarter Earnings Guidance

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EL DORADO, Ark.--(BUSINESS WIRE)--Sept. 30, 2004--Murphy Oil Corporation (NYSE:MUR) expects net income from continuing operations for the third quarter of 2004 to be between $1.15 and $1.35 per diluted share, including a gain of $.27 per diluted share on a sale of properties in the U.K. North Sea.

Production during the quarter from continuing operations is estimated to average 104,000 barrels of oil equivalent (BOE) per day. Expected average crude oil and natural gas sales volumes for the quarter should be approximately 99,000 BOE per day. Dry hole charges for the quarter should be in the range of $40 to $60 million depending on results of the Kenarong #2 and Todak wells currently drilling in Malaysia. Total worldwide exploration expense should average between $60 and $80 million.

In the worldwide downstream business, the Company expects to post income of approximately $14 million. Results from the U.S. refineries were severely impacted by lower margins and reduced refinery throughputs compared to those reflected in earlier guidance.

Earnings may also vary based on prices, margins, volumes and the timing of actual liftings of some of the Company's crude oil production.

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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SOURCE: Murphy Oil Corporation