Murphy Oil Announces Kikeh Kecil Oil Discovery in Deepwater Malaysia

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EL DORADO, Ark.--(BUSINESS WIRE)--Aug. 27, 2003--Murphy Oil Corporation (NYSE:MUR) announced a significant new oil discovery at the Kikeh Kecil #1 well, drilled in Block K, offshore Sabah, Malaysia. The well was drilled in 4,460 feet of water, 2.5 miles due north of the Kikeh field on a separate structural feature.

"The results from the Kikeh Kecil well are excellent and further confirm our exploration model for this part of offshore Sabah; this well found the same reservoirs as in the Kikeh field with no water levels," said Claiborne P. Deming, Murphy Oil President and Chief Executive Officer. "Our immediate plans are to move this rig to the Kikeh field and conduct a flow test on a previously drilled well. Later this year we will come back to Kikeh Kecil to appraise this discovery. We are moving forward with development plans for the Kikeh field and will look to bring this new discovery into the mix," says Deming.

Murphy, as operator, has an 80% working interest in Block K, which covers over four million acres. PETRONAS Carigali Sdn Bhd, a wholly owned exploration and production arm of PETRONAS, holds the remaining 20%.

The Company also announces unsuccessful wells at Dengkis (80%), located in Block H, offshore Sabah, Malaysia and Stonemaker (85%), located in Mississippi Canyon 493 in the deepwater Gulf of Mexico. The Dengkis well was drilled to a total depth of 9,843 feet and encountered non-commercial hydrocarbons. The well at Stonemaker was drilled to a total depth of 14,700 feet and was temporarily abandoned.

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