

Murphy Oil Announces First Production from Sarawak Natural Gas Project in Malaysia

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EL DORADO, Ark.--(BUSINESS WIRE)--Sep. 18, 2009-- Murphy Oil Corporation (NYSE:MUR) announced that production commenced on September 17 from natural gas fields in Blocks SK 309 and SK 311 offshore Sarawak, Malaysia. Natural gas produced from the phased development of the fields will be supplied to the PETRONAS LNG Complex in Bintulu, Sarawak.

Murphy Sarawak Oil Co., Ltd. operates the development and maintains an 85% working interest in the discovered fields with PETRONAS Carigali Sdn. Bhd. holding the remaining 15%. The contract terms call for the development to supply 250 million cubic feet of natural gas per day (mmcfpd) for a firm period of five years, with a provision to supply up to 350 mmcfpd for an additional ten-year period.

Murphy Oil Corporation's President and Chief Executive Officer, David M. Wood, commented, "This efficient and low-cost approach to develop a collection of smaller natural gas fields is testament to the cooperation between Murphy, our partner, PETRONAS Carigali, and PETRONAS. This long-term natural gas development will play an important role in Malaysia's production profile for many years to come."

This press release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These statements, which express management's current views concerning future events or results, are subject to inherent risks and uncertainties. Factors that could cause actual results to differ materially from those expressed or implied in our forward-looking statements include, but are not limited to, the volatility and level of crude oil and natural gas prices, the level and success rate of our exploration programs, our ability to maintain production rates and replace reserves, political and regulatory instability, and uncontrollable natural hazards. For further discussion of risk factors, see Murphy's 2008 Annual Report on Form 10-K on file with the U.S. Securities and Exchange Commission. Murphy undertakes no duty to publicly update or revise any forward-looking statements.

Source: Murphy Oil Corporation

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