

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement  CONFIDENTIAL, FOR USE OF THE  
COMMISSION ONLY (AS PERMITTED BY  
RULE 14A-6(E)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

Murphy Oil Corporation

-----  
(Name of Registrant as Specified In Its Charter)

-----  
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed  
pursuant to Exchange Act Rule 0-11 (Set forth the amount on which  
the filing fee is calculated and state how it was determined):

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number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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Notes:

[LOGO OF MURPHY OIL CORP. APPEARS HERE]

NOTICE OF ANNUAL MEETING

To the Stockholders of  
Murphy Oil Corporation:

The Annual Meeting of Stockholders of Murphy Oil Corporation will be held at the South Arkansas Arts Center, 110 East 5th Street, El Dorado, Arkansas, on Wednesday, May 10, 2000, at 10:00 a.m., Central Daylight Time, for the following purposes:

1. To elect directors to serve for the ensuing year.
2. To vote upon proposed amendments to the Employee Stock Purchase Plan as described in the Proxy Statement.
3. To approve or disapprove the action of the Board of Directors in appointing KPMG LLP as the Company's independent auditors for 2000.
4. To transact such other business as may properly come before the meeting.

Only stockholders of record at the close of business on March 13, 2000, the record date fixed by the Board of Directors of the Company, will be entitled to notice of and to vote at the meeting or any adjournment thereof. A list of all stockholders entitled to vote is on file at the offices of the Company, 200 Peach Street, El Dorado, Arkansas 71730.

You may vote your shares by signing and returning the enclosed proxy card or by telephone as explained on the card.

Walter K. Compton  
Secretary

El Dorado, Arkansas  
March 29, 2000

PROXY STATEMENT

March 29, 2000

SOLICITATION

The solicitation of the enclosed proxy is made on behalf of the Board of Directors of Murphy Oil Corporation (the "Company") for use at the Annual Meeting of Stockholders to be held on May 10, 2000. It is expected that this Proxy Statement and related materials will first be mailed to stockholders on or about March 29, 2000.

The complete mailing address of the Company's principal executive offices is 200 Peach Street, P.O. Box 7000, El Dorado, Arkansas 71731-7000.

#### VOTING PROCEDURES

The affirmative vote of a majority of the shares present in person or represented by proxy at the meeting is required for approval of matters presented at the meeting. Your proxy will be voted at the meeting, unless you (i) revoke it at any time before the vote by filing a revocation with the Secretary of the Company, (ii) duly execute a proxy card bearing a later date, or (iii) appear at the meeting and vote in person. Proxies returned to the Company, votes cast other than in person, and written revocations will be disqualified if received after commencement of the meeting. If you elect to vote your proxy by telephone as described in the telephone voting instructions on your proxy card, we will vote your shares as you direct. Your telephone vote authorizes the named proxies to vote your shares in the same manner as if you had marked, signed and returned your proxy card.

Votes cast by proxy or in person at the meeting will be counted by the persons appointed by the Company to act as election inspectors for the meeting. The election inspectors will treat shares represented by proxies that reflect abstentions as shares that are present and entitled to vote for purposes of determining the presence of a quorum and for purposes of determining the outcome of any other business submitted at the meeting to the stockholders for a vote. Abstentions, however, do not constitute a vote "for" or "against" any matter and thus will be disregarded in the calculation of "votes cast."

The election inspectors will treat shares referred to as "broker non-votes" (i.e., shares held by brokers or nominees as to which instructions have not been received from the beneficial owners or persons entitled to vote and that the broker or nominee does not have discretionary power to vote on a particular matter) as shares that are present and entitled to vote for purposes of determining the presence of a quorum. However, for purposes of determining the outcome of any matter as to which the broker has physically indicated on the proxy that it does not have discretionary authority to vote, those shares will be treated as not present and not entitled to vote with respect to that matter (even though those shares are considered entitled to vote for quorum purposes and may be entitled to vote on other matters).

Unless specification to the contrary is made, the shares represented by the enclosed proxy will be voted FOR all the nominees for director; FOR proposed amendments to the Employee Stock Purchase Plan; and FOR approval of the appointment of KPMG LLP as the Company's independent auditors.

#### VOTING SECURITIES

On March 13, 2000, the record date for the meeting, the Company had outstanding 45,007,654 shares of Common Stock, all of one class and each share having one vote in respect of all matters to be voted on at the meeting. This amount does not include 3,761,445 shares of treasury stock. Information as to Common Stock Ownership of certain beneficial owners and management is set forth in the tables on pages 4 ("Security Ownership of Certain Beneficial Owners") and 5 ("Security Ownership of Management").

#### ELECTION OF DIRECTORS

C. H. Murphy, Jr., the Company's founder and retired CEO and Chairman, is not seeking reelection to the Board. The Board of Directors has stated its intention to request him to serve as a director emeritus. Two other directors, Vester T. Hughes, Jr. and Lorne C. Webster, have attained retirement age and are not standing for reelection.

Due to these retirements, the by-laws of the Company, which currently provide for twelve directors, have been amended effective May 10, 2000 to provide for nine directors who will be elected at the Annual Meeting of Stockholders. Proxies cannot be voted for a greater number of persons than the number of nominees named. The by-laws also provide that the directors elected at each Annual Meeting of Stockholders shall serve until their successors are elected and qualified.

To the extent authorized by the proxies, the shares represented by the proxies will be voted in favor of the election as directors of the nine nominees whose names are set forth below. If for any reason any of these nominees is not a candidate when the election occurs, the shares represented by such proxies will be voted for the election of the other nominees named and may be voted for any substituted nominees. However, management of the Company does not expect this to occur. All of management's nominees, except for Robert A. Hermes, were elected at the last Annual Meeting of Stockholders. Dr. Hermes was elected by the Board on November 30, 1999. The names of the nominees, and certain information as to them, are as follows:

Name and age	Principal occupation or employment (for more than the past five years unless otherwise stated)	Director since	Other public company directorships
B.R.R. Butler*# London, England Age: 70	Managing Director, Retired, The British Petroleum Company p.l.c.	1991	KS Biomedix Holdings p.l.c. Guildford, England
George S. Dembroski*+ Toronto, Ontario, Canada Age: 65	Vice Chairman, Retired, RBC Dominion Securities Limited, Vice Chairman, RBC Dominion Securities Limited from June, 1981 to December 31, 1997.	1995	Cameco, Inc. Saskatoon, Saskatchewan, Canada Electrohome Ltd. Kitchener, Ontario, Canada
Claiborne P. Deming(S) El Dorado, Arkansas Age: 45	President and Chief Executive Officer of the Company.	1993	First United Bancshares, Inc. El Dorado, Arkansas
H. Rodes Hart(S)*# Nashville, Tennessee Age: 68	Chairman and Chief Executive Officer, Franklin Industries Inc., engaged in the manufacture of brick and industrial minerals.	1975	None
Robert A. Hermes Houston, Texas Age: 60	Chairman of the Board, Purvin & Gertz, Inc., an international energy consulting firm since January 1, 2000, President, Purvin & Gertz, Inc. from 1987 to December 31, 1999.	1999	None
Michael W. Murphy(S)* El Dorado, Arkansas Age: 52	President, Marmik Oil Com- pany, engaged in explora- tion for and production of oil and gas. Presi- dent, Murphy Motor Co., engaged in automobile dealer- ships.	1977	Regions Financial Corp. Birmingham, Alabama
R. Madison Murphy(S) El Dorado, Arkansas Age: 42	Chairman of the Board of the Company.	1993	Deltic Timber Corporation El Dorado, Arkansas First United Bancshares, Inc. El Dorado, Arkansas
William C. Nolan, Jr.(S)* El Dorado, Arkansas Age: 60	Partner, Nolan and Alderson, Attorneys.	1977	None
Caroline G. Theus(S)*# Alexandria, Louisiana Age: 56	President, Inglewood Land and Development Company, a farming and land holding corporation. President, Keller Enterprises, LLC which manages investments and real estate holdings.	1985	None

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- (S) Executive Committee
- + Audit Committee
- \* Executive Compensation and Nominating Committee
- # Public Policy and Environmental Committee

2

Claiborne P. Deming, C. H. Murphy, Jr., Michael W. Murphy, R. Madison Murphy, William C. Nolan, Jr. and Caroline G. Theus are all related by blood. Michael W. Murphy and R. Madison Murphy are sons of C. H. Murphy, Jr., Claiborne P. Deming and William C. Nolan, Jr. are nephews of C. H. Murphy, Jr., and Caroline G. Theus is a niece of C. H. Murphy, Jr. These six directors, their spouses, and members of their immediate families directly or indirectly own in the aggregate approximately 25% of the outstanding Common Stock of the Company and may be considered the controlling persons of the Company. See also "Security Ownership of Management" on page 5.

#### Committees

The standing committees of the Board of Directors are the Executive Committee, the Audit Committee, the Executive Compensation and Nominating Committee, and the Public Policy and Environmental Committee.

The Executive Committee is empowered to exercise certain functions of the Board of Directors when the Board is not in session.

The Audit Committee's functions include an oversight role for the Company's financial statements and review of the results and scope of the work of the Company's independent auditors and the Company's internal Auditing Division. This committee meets with representatives of the independent auditors and with members of the internal Auditing Division for these purposes.

The Executive Compensation and Nominating Committee administers the Company's 1992 Stock Incentive Plan and the annual incentive compensation plan and reviews generally the compensation of all executive and key personnel of the Company and subsidiaries. This committee specifically determines the compensation of the Chairman of the Board, the President, and certain other officers. Other duties and authority of the Executive Compensation and Nominating Committee, as fixed by the Board of Directors, are as follows:

"The Executive Compensation and Nominating Committee shall have the power to: propose and consider suggestions as to candidates for membership on the Board; review and propose to the Board criteria for Board membership and responsibilities; periodically recommend to the Board candidates for vacancies on the Board due to resignations or retirements or due to such standards for composition of Board membership as may from time to time legally prevail; review and recommend to the Board such modifications to the prevailing Board of Directors retirement policy as may be deemed appropriate in light of contemporary standards; and propose to the Board on or before the February meeting of each year a slate of directors for submission to the stockholders at the annual meeting."

Stockholders desiring to recommend candidates for membership on the Board of Directors for consideration by the Executive Compensation and Nominating Committee should address their recommendations to: Executive Compensation and Nominating Committee of the Board of Directors, c/o Secretary, Murphy Oil Corporation, P.O. Box 7000, El Dorado, Arkansas 71731-7000.

The Public Policy and Environmental Committee provides review and oversight of the Company's policies, programs and practices with regard to environmental, health and safety compliance and in relation to public issues.

#### Meetings and Attendance

During 1999 there were eight meetings of the Board of Directors, twelve meetings of the Executive Committee, three meetings of the Audit Committee, three meetings of the Executive Compensation and Nominating Committee, and two meetings of the Public Policy and Environmental Committee. All nominees, except for Robert A. Hermes, attended a minimum of 75% of the total number of meetings of the Board of Directors and committees on which they served. Dr. Hermes did not become a member of the Board until November 30, 1999.

#### Compensation of Directors

The Company has a standard arrangement for compensation of directors who are not also employees of the Company. Under this arrangement, for fiscal year 1999, nonemployee directors were compensated at the rate of \$30,000 per annum plus \$1,000 for each meeting attended of the Board, the Audit Committee, the

Executive Compensation and Nominating Committee, or the Public Policy and Environmental Committee. The Chairman of the Board is paid the aforementioned plus an additional \$75,000 per annum. No compensation is paid for attendance at meetings of the Executive Committee. The Company also reimburses directors for travel, lodging and related expenses they incur in attending Board and committee meetings.

The Company adopted a retirement plan for nonemployee directors (the "Director Retirement Plan") effective May 1, 1994. The Director Retirement Plan provides a retirement benefit to any nonemployee director with at least five (5) years of service if retirement occurs at or after the age of 72, or with at least ten (10) years of service if retirement occurs prior to the age of 72. The Director Retirement Plan will pay an annual benefit equal to the annual retainer in effect at the time of the director's retirement. Benefits will be paid for a period equal to years of service. Payment of retirement benefits will be in the form of quarterly payments which will commence on the first day of the calendar quarter following the later of the director's attainment of age 65 or actual retirement from the Board. If a director dies prior to retirement from the Board, no benefits will be paid under this plan. In the event a director dies after retirement from the Board, benefits will be paid to the surviving spouse, but in no event will the total of such benefits exceed ten (10) years. If there is no surviving spouse, no benefits will be paid to any other party, beneficiary or estate.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

As of December 31, 1999, the following are known to the Company to be the beneficial owners of more than five percent of the Company's Common Stock:

Name and address of beneficial owner -----	Amount and nature of beneficial ownership(1)	Percentage -----
AXA Financial, Inc..... 1290 Avenue of the Americas New York, NY 10104	3,232,925 (/2/)	7.2%
Capital Research and Management Company..... 333 South Hope Street Los Angeles, CA 90071	6,098,700 (/3/)	13.6%
First United Bancshares, Inc..... Main and Washington Streets El Dorado, AR 71730	2,495,322 (/4/)	5.5%
C. H. Murphy, Jr..... 200 N. Jefferson El Dorado, AR 71730	3,610,707 (/5/)	8.0%

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- (/1/) Includes Common Stock for which the indicated owner has sole or shared voting or investment power and is based on each indicated owner's 13G filing for the period ended December 31, 1999.
  - (/2/) Joint filing by AXA Financial, Inc. for itself, AXA Conseil Vie Assurance Mutuelle, AXA Assurances I.A.R.D. Mutuelle, AXA Assurances Vie Mutuelle, AXA Courtage Assurance Mutuelle and AXA. Total includes 1,459,090 sole voting power shares; 1,589,450 shared voting power shares; 2,714,525 sole investment power shares; and 518,400 shared investment power shares.
  - (/3/) An investment adviser registered under Section 203 of the Investment Advisers Act of 1940. All shares are sole investment power shares.
  - (/4/) Shares reported are held in various trust accounts administered by a wholly owned subsidiary, First United Trust Company, N.A. Total includes 82,069 sole voting and investment power shares and 2,413,253 shared voting and investment power shares.

(/5/) All shares are shared voting and investment power shares.

SECURITY OWNERSHIP OF MANAGEMENT

The following table sets forth information, as of February 15, 2000, concerning the number of shares of Common Stock of the Company beneficially owned by all directors and nominees, each of the Named Executives (as hereinafter defined), and directors and executive officers as a group:

Name -----	Amount and nature of beneficial ownership(1) -----	Percent of outstanding (if greater than one percent) -----
Basil R. R. Butler.....	2,000	--
George S. Dembroski.....	--	--
Claiborne P. Deming.....	1,562,783 (/2/) (/3/) (/4/)	3.5 (/4/)
H. Rodes Hart.....	216,670	--
Robert A. Hermes.....	1,000	--
Vester T. Hughes, Jr.....	3,474	--
C. H. Murphy, Jr. ....	3,610,707 (/4/)	8.0 (/4/)
Michael W. Murphy.....	433,359 (/4/)	--
R. Madison Murphy.....	2,977,280 (/4/)	6.6 (/4/)
William C. Nolan, Jr.....	750,397 (/4/)	1.7 (/4/)
Caroline G. Theus.....	959,976	2.1
Lorne C. Webster.....	6,220	--
Enoch L. Dawkins.....	54,147 (/2/) (/3/)	--
Herbert A. Fox, Jr.....	77,992 (/2/) (/3/)	--
Steven A. Cosse.....	66,770 (/2/) (/3/)	--
Ronald W. Herman.....	45,774 (/2/) (/3/)	--
Directors and executive officers as a group.....	8,796,145 (/5/)	19.5 (/5/)

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- (/1/) Includes Common Stock held by directors and officers or by their spouses and other household members for which the directors and officers have sole or shared voting or investment power.
  - (/2/) Includes shares subject to options exercisable within sixty days in the following amounts: Deming 118,780; Dawkins 37,500; Fox 54,140; Cosse 54,140; and Herman 33,330.
  - (/3/) Includes shares of Restricted Stock awarded in 1996 and 1998 pursuant to the Company's 1992 Stock Incentive Plan. Such shares are subject to vesting requirements, but the recipient is entitled to vote such shares upon their issuance.
  - (/4/) Includes shares for which voting and/or investment power is shared between two or more of Claiborne P. Deming, C. H. Murphy, Jr., Michael W. Murphy, R. Madison Murphy and William C. Nolan, Jr.
  - (/5/) In computing the aggregate number of shares owned by directors and executive officers as a group, the same shares have not been counted more than once.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Under the securities laws of the United States, the Company's directors and its executive officers are required to report their ownership of the Company's Common Stock and any changes in that ownership to the Securities and Exchange Commission and the New York Stock Exchange. Specific due dates for these reports have been established and the Company is required to report in this proxy statement any failure to file by these dates. In 1999, all officers and directors satisfied their filing requirements except one Form 4 was not filed on a timely basis for Michael W. Murphy.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

In 1999, the Company purchased crude oil from Munoco Company L.C. in the amount of \$103,932. Munoco Company L.C. is an associate of William C. Nolan, Jr. Purchases from Munoco were made at market prices on terms no more favorable than those offered to unaffiliated third party sellers.

During 1999, the Company paid a retainer for legal services to Hughes & Luce, L.L.P. of which Vester T. Hughes, Jr. is a partner. A retainer will also be paid to the firm in 2000.

EXECUTIVE COMPENSATION

The following table sets forth information with respect to the individual who served as the Company's chief executive officer during 1999 and the four other most highly compensated executive officers of the Company at the end of 1999 (collectively, the "Named Executives"):

Summary Compensation Table

Name and principal position	Year	Annual Compensation			Long-Term Compensation			All other compensation (\$)(4)
		Salary (\$)(1)	Bonus (\$)(2)	Other annual compensation (\$)	Awards		Payouts	
					Restricted stock awards (\$)(3)	Securities underlying options/SARs (#)	LTIP payouts (\$)	
Claiborne P. Deming President and Chief Executive Officer	1999	600,000	351,000	--	--	20,000	--	52,855
Murphy Oil Corporation	1998	591,668	--	--	495,000	25,000	--	57,417
Enoch L. Dawkins President, Murphy Exploration & Production Company (a 100% subsidiary)	1997	537,508	363,000	--	--	60,000	--	40,614
	1999	341,669	175,000	--	--	15,000	--	28,993
	1998	325,002	--	--	247,500	15,000	--	31,581
	1997	305,840	160,000	--	--	30,000	--	23,353
Herbert A. Fox, Jr. Vice President	1999	330,000	150,000	--	--	--	--	28,408
	1998	315,006	50,000	--	247,500	15,000	--	30,292
Murphy Oil Corporation	1997	293,336	175,000	--	--	30,000	--	21,556
Steven A. Cosse Senior Vice President and General Counsel	1999	290,004	130,000	--	--	15,000	--	26,404
	1998	267,091	--	--	247,500	15,000	--	27,104
Murphy Oil Corporation	1997	244,168	130,000	--	--	30,000	--	17,929
Ronald W. Herman Controller (5)	1999	212,500	75,000	--	--	--	--	17,060
	1998	205,002	--	--	123,750	6,500	--	18,128
Murphy Oil Corporation	1997	195,839	60,000	--	--	15,000	--	14,043

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- (1) Includes amounts of cash compensation earned and received by executive officers as well as amounts earned but deferred at the election of those officers.
  - (2) Bonuses were awarded and paid after the end of the year in which they are reported. Because these payments related to services rendered in the year prior to payment, the Company reported bonuses as a component of compensation expense in the prior year.
  - (3) Represents the closing stock price of unrestricted stock on date of grant (\$49.50 on February 3, 1998) times the number of restricted shares granted. Dividends are being paid on restricted stock at the same rate paid to all shareholders. Awards are subject to performance based conditions and are forfeited if grantee terminates for any reason other than retirement, death or full disability. None of the restricted stock awards vest in under five years from the date of grant. Based on the results of specified financial objectives, all of the restricted stock awards granted in 1994 were forfeited effective December 31, 1998. On December 31, 1999, Mr. Deming held a total of 15,637 nonvested restricted shares having a then current value of \$897,173; Messrs. Dawkins, Fox and Cosse each held a total of 7,818 nonvested restricted shares having a then current value of \$448,558; and Mr. Herman held a total of 3,909 nonvested restricted shares having a then current value of \$224,279.
  - (4) The total amounts shown in this column for 1999 consist of the following:  
Mr. Deming: \$21,892 -- Dividends on nonvested restricted stock; \$30,000 -- Company contributions to defined contribution plan; and \$963 -- Benefit attributable to Company-provided term life insurance policy.  
Mr. Dawkins: \$10,945 -- Dividends on nonvested restricted stock; \$17,085 -- Company contributions to defined contribution plan; and \$963 -- Benefit attributable to Company-provided term life insurance policy.

Mr. Fox; \$10,945 -- Dividends on nonvested restricted stock; \$16,500 -- Company contributions to defined contribution plan; and \$963 -- Benefit attributable to Company-provided term life insurance policy.  
 Mr. Cosse: \$10,945 -- Dividends on nonvested restricted stock; \$14,496 -- Company contributions to defined contribution plan; and \$963--Benefit attributable to Company-provided term life insurance policy.  
 Mr. Herman: \$5,473 -- Dividends on nonvested restricted stock; \$10,624 -- Company contributions to defined contribution plan; and \$963 -- Benefit attributable to Company-provided term life insurance policy.  
 (5) Mr. Herman retired as Controller on March 1, 2000.

OPTION EXERCISES AND FISCAL YEAR-END VALUES

Shown below is information with respect to stock options exercised in fiscal 1999 and the fiscal year-end value of unexercised options for the Named Executives:

Aggregated Option/SAR Exercises in Last Fiscal Year  
and FY-End Option/SAR Values

Name	Shares acquired on exercise (#)	Value realized (\$)	Number of securities underlying unexercised options/SARs at FY-end (#)		Value of unexercised in- the-money options/SARs at FY-end (\$) *	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Claiborne P. Deming.....	526	\$ 19,166	85,639	75,000	\$1,174,667	\$624,375
Enoch L. Dawkins.....	5,692	320,531	15,000	45,000	67,219	439,688
Herbert A. Fox, Jr.....	--	--	31,640	30,000	330,939	114,375
Steven A. Cosse.....	--	--	31,640	45,000	330,939	439,688
Ronald W. Herman.....	--	--	22,580	14,000	308,481	49,563

\* Represents market value of underlying securities at year-end less the exercise price.

OPTION GRANTS

Shown below is further information on grants of stock options pursuant to the 1992 Stock Incentive Plan during the fiscal year ended December 31, 1999 to the Named Executives:

Option/SAR Grants in Last Fiscal Year

Name	Individual grants					
	Number of securities underlying options/SARs granted (#) (1) (2)	Percent of total options/SARs granted to employees in fiscal year	Exercise or base price (\$/Sh)	Expiration date	Grant date present value (\$) (3)	
Claiborne P. Deming.....	20,000	6.14%	\$35.6875	02/02/09	\$155,200	
Enoch L. Dawkins.....	15,000	4.61%	35.6875	02/02/09	116,400	
Herbert A. Fox, Jr.....	--	--	--	--	--	
Steven A. Cosse.....	15,000	4.61%	35.6875	02/02/09	116,400	
Ronald W. Herman.....	--	--	--	--	--	

- (1) No stock appreciation rights (SARs) were granted in 1999.
- (2) Options granted in 1999 vest 50% at the end of two years and 100% at the end of three years from the date of grant and are exercisable for a period of 10 years from the date of grant.
- (3) Values were based on the Black-Scholes option pricing model adapted for use in valuing executive stock options. The actual value, if any, an executive may realize will depend on the excess of the stock price over

the exercise price on the date the option is exercised. There is no assurance that value realized by the executive will be at or near the value estimated by the Black-Scholes model. The estimated values under that model are based on arbitrary assumptions as to certain variables and in 1999 included the following:

- . Risk-free rate of return 4.77%
- . Stock volatility 24.21%
- . Dividend yield 2.87%
- . Expected life of option 5 years

Based on the Black-Scholes option pricing model, using the above assumptions, the options granted in 1999 have been valued at \$7.76 per share as of the grant date.

7

#### COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The members of the Executive Compensation and Nominating Committee of the Board of Directors of the Company during 1999 were Messrs. Butler, Dembroski, Hart, Hughes, C. H. Murphy, Jr., Michael W. Murphy, Nolan, and Webster and Ms. Theus.

C. H. Murphy, Jr. was Chairman of the Board of the Company from June 1, 1972 to October 1, 1994. In 1999, the Company purchased crude oil from Munoco Company L.C. in the amount of \$103,932. Munoco Company L.C. is an associate of William C. Nolan, Jr. Purchases from Munoco were made at market prices on terms no more favorable than those offered to unaffiliated third party sellers. During 1999, the Company paid a retainer for legal services to Hughes & Luce, L.L.P. of which Vester T. Hughes, Jr. is a partner. A retainer will also be paid to the firm in 2000.

#### COMPENSATION COMMITTEE REPORT FOR 1999

The Executive Compensation and Nominating Committee (the "Committee") of the Board of Directors of the Company, which is comprised entirely of independent outside directors, has prepared this Compensation Committee Report which describes the guiding principles followed by the Company in establishing its pay practices and reviews compensation decisions which were made during 1999 affecting the Named Executives.

#### Executive Compensation Philosophy and Principles

The Company's executive compensation programs and plans are based on principles designed to align the interests of executives with those of stockholders and provide a direct link with the Company's values, objectives, business strategy and financial results. The following general guidelines have been adopted by the Committee and have been used as the basic architecture for all executive compensation and benefit arrangements for the Company:

- . All programs are directed toward attracting and retaining key executives who are critical to the long-term success of the Company and each of its business units and who exhibit a high degree of business responsibility, personal integrity and professionalism.
- . These programs are designed to reward executives for both the short-term and long-term achievements of Company and business unit objectives that lead to the enhancement of shareholder value.
- . All pay and benefit programs are intended to be competitive within each industry segment, with upside opportunity and downside risk linked to the achievement of annual and long-term performance objectives which are regularly reviewed and approved by the Committee.

At the present time, executive compensation programs consist of base salary, an annual cash incentive plan and long-term incentives in the form of both stock options and performance-based restricted stock. The executive benefits that are offered are typical of those provided by others in the industry. Each of these compensation arrangements is briefly reviewed in the following sections.

## Base Salary Practices

The Named Executives and other employees are compensated within established salary range guidelines that are generally based on similar positions in companies that are comparable to the Company in size, complexity, and industry orientation. The actual base pay level for each officer is based on a combination of experience, performance and other factors that are determined to be important by the Committee. Each year, the Company participates in salary surveys within each industry segment and from time to time uses the services of outside consultants to further supplement its competitive information. The petroleum industry survey in which the Company participates contains over 25 corporations that the Committee believes are representative of the Company's labor market for management talent. The survey is conducted by a major compensation consulting firm. Many of the companies in the survey group are included in the S&P Oil

8

(Domestic Integrated) Index line on the performance graph as shown on page 11. The Committee generally targets the base salary of most officers to be at or near the median (50th percentile) of the competitive market. The actual salaries and the amount of increases for 1999 for the Named Executives were near the median levels of the salaries in the referenced survey. The base salary of most officers is reviewed annually, with the amount of any increases reflecting factors such as Company performance, general economic conditions, marketplace compensation trends and individual performance. In determining base salary and increase in salaries, the most important criteria in the Committee's analysis are marketplace comparisons and individual performance. Overall corporate performance, including the Company's improvement in earnings and total shareholder return, were also considered by the Committee in making salary adjustments in 1999.

## Annual Incentive Compensation Program

The Company restructured its annual incentive compensation plan in 1996. The plan concept follows many of the precepts of economic value added and measures the Company's ability to earn a return on capital that exceeds the weighted average cost of capital as well as the improvement in the Company's return on capital. The specific performance measure used for the 1999 performance year was developed based upon a projection of the Company's weighted average cost of capital. All participants in the plan, including the Named Executives, were measured on this corporate-wide measure of Company performance. In 1999, the Company met its return on capital employed performance target and therefore achieved its targeted payout. As a result, the Named Executives received annual incentive awards for the 1999 plan year under the plan's formula.

## Long-Term Incentive Compensation

Under the 1992 Stock Incentive Plan (the "1992 Plan") as approved by the Company's stockholders, long-term incentives may be provided through stock options, stock appreciation rights and performance-based restricted stock, all designed to increase the stock ownership of management and link these key individuals directly to stockholders. All long-term incentive awards granted during 1999 were granted under the 1992 Plan. Where appropriate, the Committee uses the Black-Scholes option valuation model to determine the expected value of stock options. Under the 1992 Plan, the Committee may award up to one percent of the total issued and outstanding shares as of December 31 of the immediately preceding year for executive long-term incentives. The 1992 Plan also has a carry forward feature which allows the Committee to use unawarded shares from years that were below the threshold to grant awards in a particular year that may exceed this utilization level. In 1999, the Company made grants which were .72% of total Company shares outstanding.

A stock option granted under the 1992 Plan gives the executive the right to purchase a specified number of shares of the Company's Common Stock at an option price equal to the market price on the date the option was granted. Options, which may be either nonqualified stock options or incentive stock options, vest 50% at the end of two years and 100% at the end of three years from the date of grant and are exercisable for a period of 10 years from the date of grant. The size of option grants awarded each year is based on competitive practices in general industry using comparative data provided by a major compensation consulting firm. The Company's stock option grants in 1999 were generally between the 25th and 50th percentile levels of general industry

practices. In addition, the Committee considers the total number of grants each executive has been awarded in recent years in determining whether to grant additional stock options or performance-based restricted stock. Nonqualified stock options were granted in 1999 to certain Named Executives; however, no stock appreciation rights were granted in 1999.

On a biennial basis, the Company may grant performance-based restricted shares to key executives, including the Named Executives. These restricted share grants are totally performance-based in that the restrictions will only be lifted and the shares earned in the event that the Company meets or exceeds its performance target. The performance target for restricted share grants is the Company's total shareholder return as compared to a selected peer group of integrated oil and gas companies over a five-year performance period. During this five-year performance period executives are extended voting and dividend rights on their restricted shares. No performance-based restricted shares were granted in 1999 to the Named Executives.

9

In 1997, the stockholders of the Company approved an amendment to the 1992 Plan to limit the number of awards to any one individual and to specify the performance criteria for performance-based restricted shares in compliance with Section 162(m) of the Internal Revenue Code.

Discussion of 1999 Compensation for the President and Chief Executive Officer

Claiborne P. Deming served as President and Chief Executive Officer of the Company for fiscal year 1999. During 1999, the Committee made the following determinations regarding Mr. Deming's compensation:

Due to the Company's failure to achieve its budgeted net income and return on capital employed minimum performance level for 1998, Mr. Deming requested that he receive no base salary adjustment during 1999.

As noted earlier, the Company restructured its annual incentive compensation plan in 1996 to focus upon financial performance, as measured by return on capital employed, which should lead to the enhancement of shareholder value. As a participant in the plan, Mr. Deming earned an annual incentive award of \$351,000. The performance criteria of the plan was the Company's 1999 return on capital employed.

In 1999, Mr. Deming received a grant of 20,000 nonqualified stock options at an exercise price of \$35.6875, which was the fair market value of the Company's stock on the date of the grant. These options will vest 50% two years from the date of grant and 100% three years from the date of grant. The option grant was made in recognition of both Mr. Deming's performance and that of the Company in 1998 and early 1999. Mr. Deming's grant was below the 25th percentile of competitive practice based upon survey data provided by a major compensation consulting firm. The compensation consulting firm assisted the Committee in determining the size of the stock option grant to Mr. Deming and all other Company executives.

The Executive Compensation and Nominating Committee members during 1999 were, and this Compensation Committee Report is submitted by, Messrs. Butler, Dembroski, Hart, Hughes, C. H. Murphy, Jr., Michael W. Murphy, Nolan, and Webster, and Ms. Theus.

10

#### SHAREHOLDER RETURN PERFORMANCE PRESENTATION

The following line graph presents a comparison of the cumulative five-year shareholder returns (including the reinvestment of dividends) for the Company, the Standard and Poor's 500 Stock Index (S&P 500 Index) and the S&P Oil (Domestic Integrated) Index.

[PERFORMANCE GRAPH APPEARS HERE]

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1994 1995 1996 1997 1998 1999  
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Murphy Oil Corporation	\$100	\$101	\$139	\$156	\$123	\$176
S&P 500 Index	100	138	169	226	290	351
S&P Oil (Domestic Integrated) Index	100	114	144	171	139	173

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Data are provided by Standard & Poor's Compustat.

11

#### RETIREMENT PLANS

The following table shows the estimated annual pension benefit payable, at age 65, under Murphy Oil Corporation's Retirement Plan at December 31, 1999 for the compensation and length of service indicated. The amounts shown are subject to reduction for social security benefits.

Pension Plan Table--Murphy Oil Corporation Plan

Remuneration (/1/)	Years of Service					
	15	20	25	30	35	40
\$150,000	\$ 36,000	\$ 48,000	\$ 60,000	\$ 72,000	\$ 84,000	\$ 96,000
200,000	48,000	64,000	80,000	96,000	112,000	128,000
250,000	60,000	80,000	100,000	120,000	140,000 (/2/)	160,000 (/2/)
300,000	72,000	96,000	120,000	144,000 (/2/)	168,000 (/2/)	192,000 (/2/)
350,000	84,000	112,000	140,000 (/2/)	168,000 (/2/)	196,000 (/2/)	224,000 (/2/)
400,000	96,000	128,000	160,000 (/2/)	192,000 (/2/)	224,000 (/2/)	256,000 (/2/)
450,000	108,000	144,000 (/2/)	180,000 (/2/)	216,000 (/2/)	252,000 (/2/)	288,000 (/2/)
500,000	120,000	160,000 (/2/)	200,000 (/2/)	240,000 (/2/)	280,000 (/2/)	320,000 (/2/)
600,000	144,000 (/2/)	192,000 (/2/)	240,000 (/2/)	288,000 (/2/)	336,000 (/2/)	384,000 (/2/)
700,000	168,000 (/2/)	224,000 (/2/)	280,000 (/2/)	336,000 (/2/)	392,000 (/2/)	448,000 (/2/)
800,000	192,000 (/2/)	256,000 (/2/)	320,000 (/2/)	384,000 (/2/)	448,000 (/2/)	512,000 (/2/)

(/1/) During 1999, the maximum compensation limit for qualified retirement plans, as established by the Internal Revenue Service, was \$160,000 (increases to \$170,000 for 2000).

(/2/) Exceeds presently allowable maximum legislative limits for annual pension benefits under a defined benefit pension plan. In 1999, the maximum benefit allowable was \$130,000 (increases to \$135,000 for 2000).

A portion of the benefits shown above would be paid under the Company's Supplemental Benefit Plan to the extent such benefits exceed legislative limitations.

The credited years of service for Messrs. Deming, Fox, Cosse and Herman are twenty-one years, thirty years, twenty years and twenty-three years, respectively.

As of January 1, 1992, employees of Murphy Exploration & Production Company, formerly named Ocean Drilling & Exploration Company (ODECO), began participating in the Company's plans. Prior to that time such employees participated in similar plans of ODECO. Employees of the Company or one of its 100% owned subsidiaries who were previously included in the ODECO Retirement Plan may receive a benefit upon retirement which is based on a combination of the Company and ODECO plans. The following table indicates the estimated annual benefit computed on a straight life annuity basis payable, at age 65, under the ODECO plan for the salary and length of service indicated:

Pension Plan Table--ODECO Plan

Remuneration	Years of Service					
	15	20	25	30	35	40
\$200,000	\$ 59,352	\$ 79,082	\$ 98,812	\$118,542	\$138,272*	158,002*
250,000	74,352	99,082	123,812	148,542*	173,272*	198,002*
300,000	89,352	119,082	148,812*	178,542*	208,272*	238,002*
350,000	104,352	139,082*	173,812*	208,542*	243,272*	278,002*
400,000	119,352	159,082*	198,812*	238,542*	278,272*	318,002*

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\* Exceeds presently allowable maximum legislative limits for annual pension benefits under a defined benefit pension plan.

The above tables do not reflect any reductions in retirement benefits that would result from the selection of one of either plan's various available survivorship options nor the actuarial reductions required by the plans for retirement earlier than age 62.

12

The credited years of service for Mr. Dawkins are thirty-four years.

It is not feasible to calculate the specific amount attributable to the plans in respect to each employee. The Company had no required contributions to the retirement plans in 1999 and therefore no contributions were made.

#### PROPOSED AMENDMENTS TO THE EMPLOYEE STOCK PURCHASE PLAN

At the May 14, 1997 Annual Meeting, the stockholders approved an Employee Stock Purchase Plan (the "Plan") covering 50,000 shares of Common Stock. The Plan, qualified under section 423 of the Internal Revenue Code, provides eligible employees with an opportunity to purchase shares at a ten percent (10%) discount via payroll deduction and thereby obtain or increase a proprietary interest in the Company.

The text of the Plan was included in the Proxy Statement for the 1997 Annual Meeting. Copies of the Plan are available free of charge upon request. Requests should be directed to the Secretary, Murphy Oil Corporation, P. O. Box 7000, El Dorado, Arkansas 71731-7000, telephone (870) 862-6411.

As of December 31, 1999, 39,496 shares have been purchased by employees pursuant to the Plan. The proposed amendments, detailed in Exhibit A, would increase the maximum number of shares available for sale under the Plan from 50,000 shares to 150,000 shares. Also, the term of the Plan would be extended from five (5) years to ten (10) years.

The Board of Directors recommends that the shareholders vote FOR the proposed amendments to the Employee Stock Purchase Plan. Proxies solicited on behalf of the Board will be voted FOR this proposal.

#### APPROVAL OF APPOINTMENT OF INDEPENDENT AUDITORS

The Board of Directors desires that the stockholders indicate their approval or disapproval of the Board's action in appointing KPMG LLP, Certified Public Accountants, as independent auditors of the Company for the year 2000. KPMG LLP has been serving the Company and its subsidiaries as independent auditors for many years. The firm has advised the Company that its members have no direct or indirect financial interest in the Company or any of its subsidiaries. Members of the firm are expected to be present at the Annual Meeting for the purpose of responding to inquiries by stockholders, and such representatives will have an opportunity to make a statement if they desire to do so.

In the event a majority of the stockholders voting should indicate disapproval of the appointment of KPMG LLP, the adverse vote will be considered as a directive to the Board of Directors to select other auditors for the following year. Because of the difficulty and expense of making any substitution of auditors during a year, it is contemplated that the appointment for 2000 will be permitted to stand unless the Board finds other good reason for making a change.

The Board of Directors recommends that shareholders vote FOR approval of the appointment of KPMG LLP as independent auditors for the year 2000. Proxies solicited on behalf of the Board will be voted FOR this proposal.

#### STOCKHOLDER PROPOSALS

Stockholder proposals for the Annual Meeting of Stockholders in the year 2001 must be received by the Company at its executive offices on or before December 1, 2000 in order to be considered for inclusion in the proxy materials.

13

OTHER INFORMATION

The management of the Company knows of no business other than that described above that will be presented for consideration at the meeting. If any other business properly comes before the meeting, it is the intention of the persons named in the proxies to vote such proxies thereon in accordance with their judgment.

The expense of this solicitation, including cost of preparing and mailing this Proxy Statement, will be paid by the Company. Such expenses may also include the charges and expenses of banks, brokerage houses and other custodians, nominees or fiduciaries for forwarding proxies and proxy material to beneficial owners of shares.

The above Notice and Proxy Statement are sent by order of the Board of Directors.

Walter K. Compton  
Secretary

El Dorado, Arkansas  
March 29, 2000

PLEASE COMPLETE AND RETURN YOUR PROXY PROMPTLY  
IN THE ENCLOSED ENVELOPE. NO POSTAGE IS  
REQUIRED IF IT IS MAILED IN THE UNITED STATES  
OF AMERICA. ALTERNATIVELY, YOU MAY VOTE BY  
TELEPHONE AS DESCRIBED ON THE PROXY CARD.

14

EXHIBIT A

PROPOSED AMENDMENTS TO THE EMPLOYEE STOCK PURCHASE PLAN

Paragraph 12. Shares is amended by changing the first sentence of subsection (a) so as to read:

"The maximum number of Shares which shall be made available for sale under the Plan shall be one hundred fifty thousand (150,000) Shares, subject to adjustment upon changes in capitalization of the Company as provided in paragraph 17."

Paragraph 22. Term of Plan is amended by changing the second sentence so as to read:

"It shall continue in effect for a term of ten (10) years unless sooner terminated under paragraph 18 or 20."

MURPHY OIL CORPORATION  
PLEASE MARK VOTE IN OVAL USING DARK INK ONLY.

The Board of Directors Recommends a Vote "FOR" Each of the Listed Proposals.

1. Election of Directors--

01 - B.R.R. Butler	04 - H.R. Hart	07 - R.M. Murphy
02 - G.S. Dembroski	05 - R.A. Hermes	08 - W.C. Nolan, Jr.
03 - C.P. Deming	06 - M.W. Murphy	09 - C.G. Theus

For All  
[ ]

Withhold All  
[ ]

For All  
[ ]



If you vote by telephone please do not mail your proxy card.  
THANK YOU FOR VOTING

[MURPHY OIL CORPORATION LOGO]

PROXY SOLICITED BY BOARD OF DIRECTORS FOR ANNUAL MEETING, MAY 10, 2000

The stockholder(s) whose name(s) appears on the reverse side hereby appoints R. Madison Murphy and Claiborne P. Deming, or each of them, as the stockholder's proxy or proxies, with full power of substitution, to vote all shares of Common Stock of Murphy Oil Corporation which the stockholder is entitled to vote at the Annual Meeting of Stockholders to be held at the South Arkansas Arts Center, 110 East 5th Street, El Dorado, Arkansas, on May 10, 2000, at 10:00 a.m., Central Daylight Time, and any adjournments thereof, as fully as the stockholder could if personally present.

IMPORTANT -- This Proxy, if mailed, must be signed and dated on the reverse side.

THIS PROXY WILL BE VOTED IN ACCORDANCE WITH THE SPECIFICATIONS MADE ON THE REVERSE SIDE, BUT IF NONE ARE INDICATED, THIS PROXY WILL BE VOTED FOR ALL NOMINEES LISTED ON THE REVERSE SIDE, AND FOR PROPOSALS 2 and 3.

(continued on reverse side)