Murphy Oil Announces First Production In Malaysia

May 19, 2003 4:15 PM ET

EL DORADO, Ark.--(BUSINESS WIRE)--May 19, 2003--Murphy Oil Corporation (NYSE:MUR) announces that its wholly-owned subsidiary, Murphy Sarawak Oil Co., Ltd, commenced first oil production from its West Patricia field located in Block SK 309, offshore Sarawak, Malaysia. Murphy Sarawak is the operator of the block and holds an 85% interest and PETRONAS Carigali Sdn. Bhd., the production arm of state-owned PETRONAS, holds the remaining interest.

The West Patricia field is located 40 km offshore Bintulu, Sarawak, in 130 feet of water. The initial development phase includes a single production platform and a Floating Storage and Off-loading facility. Later phases will include the installation of additional production platforms and the drilling of more development wells. Initial gross production will quickly ramp up to 15,000 barrels of oil per day. All crude oil produced from the West Patricia field will be marketed under the name "Kidurong crude oil".

Coming onstream according to schedule and within budget 16 months following project sanction, West Patricia's development has set a new benchmark in Malaysia for both timing and costs. Design and fabrication of key facilities took place at Malaysian sites with 82% of total field contracts being placed with Malaysian companies.

Murphy Oil Corporation's President and Chief Executive Officer, Claiborne P. Deming, said, "West Patricia's development confirms the new business environment we envisioned when we first entered Malaysia in 1999 and it marks a significant milestone for us. We have received unprecedented support and assistance from our partner, PETRONAS Carigali Sdn. Bhd., our contractors and PETRONAS. Working as a team has allowed us to begin to tap the tremendous potential of small fields in Malaysia. West Patricia is just a beginning; we see these production facilities providing a centralized hub to which other small fields on surrounding acreage can be developed and where we can further demonstrate our team's expertise."

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.

CONTACT: Murphy Oil Corp., El Dorado
    Investor Relations:
    Mindy West, 870/864-6315
    or
    Public Relations:
    Betty LeBrescu, 870/864-6222

SOURCE: Murphy Oil Corp.