

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

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): October 5, 2006

MURPHY OIL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

1-8590
(Commission File Number)

71-0361522
(IRS Employer Identification No.)

200 Peach Street
P.O. Box 7000, El Dorado, Arkansas
(Address of principal executive offices)

71731-7000
(Zip Code)

Registrant's telephone number, including area code 870-862-6411

Not applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition

The following information is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition."

On October 5, 2006, Murphy Oil Corporation released information regarding its expected results of operations for the third quarter that ended September 30, 2006. The full text of this press release is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

99.1 A news release dated October 5, 2006 announcing guidance for the third quarter 2006 earnings is attached hereto as Exhibit 99.1.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MURPHY OIL CORPORATION

By: /s/ John W. Eckart

John W. Eckart

Controller

Date: October 5, 2006

Exhibit Index

99.1 Press release dated October 5, 2006, as issued by Murphy Oil Corporation.

MURPHY OIL UPDATES THIRD QUARTER EARNINGS GUIDANCE

EL DORADO, Arkansas, October 5, 2006 — Murphy Oil Corporation (NYSE:MUR) expects income for the third quarter of 2006 to be between \$.95 and \$1.05 per diluted share. This range is above the Company's previous estimate due to lower than anticipated dry hole costs and an exceptionally strong contribution from the Company's refining and marketing segment.

Oil and natural gas production during the quarter is estimated to average 92,000 barrels of oil equivalent (BOE) per day with sales volumes of 85,000 BOE per day, slightly higher than previously estimated due to less than anticipated hurricane downtime in the Gulf of Mexico. Successful exploratory drilling continued in the third quarter in shallow-water Malaysia, therefore, dry hole costs for the quarter should be limited to a maximum of \$25 million. One major exploratory well currently in progress at Thunder Ridge in the deepwater Gulf of Mexico constitutes the majority of the dry hole cost exposure. This well may be completed before the Company releases its third quarter earnings later this month. Total worldwide exploration expense, including dry hole costs, should be between \$36 million and \$61 million during the quarter.

In the worldwide downstream business, the Company experienced a record quarter for retail gasoline profitability in the United States, along with a meaningful contribution from the refining segment following the restart of the Meraux, Louisiana refinery. Earnings from downstream operations are expected to be approximately \$120 million.

Corporate charges for the third quarter are expected to be approximately \$25 million.

Third quarter results also include an \$18 million charge associated with a 10% tax rate increase on oil and natural gas profits in the U.K. North Sea which was enacted on July 19.

Earnings may also vary based on prices and volumes from sale of the Company's crude oil production, and due to variances in projected and actual downstream operating margins.

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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