Murphy Oil Announces Significant Oil and Natural Gas Discovery in Deepwater Malaysia at Kakap

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EL DORADO, Ark.--(BUSINESS WIRE)--June 9, 2004--Murphy Oil Corporation (NYSE:MUR) announced today that its Kakap #1 exploration well encountered significant oil and natural gas pay in multiple reservoirs. Kakap #1 was drilled in 3,037 feet of water in Block K, offshore deepwater Sabah, Malaysia.

"This latest discovery at Kakap further confirms our view that there is significant exploration potential across our deepwater Sabah acreage," said Claiborne P. Deming, Murphy Oil Corporation President and Chief Executive Officer. "Kakap is a new discovery in Block K and we are currently studying the options for its development. We found high quality oil in multiple sands with excellent reservoir properties in the Kakap #1 well, and subsequently sidetracked the discovery well and recovered full cores in each of the main reservoirs," he added.

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 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 Corporation, El Dorado
Investor/Media Relations:
Mindy West, 870/864-6315

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