

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2025

OR

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

For the transition period from _____ to _____
Commission file number 1-8590



MURPHY OIL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

9805 Katy Fwy, Suite G-200

Houston, Texas

(Address of principal executive offices)

71-0361522

(I.R.S. Employer Identification Number)

77024

(Zip Code)

(281) 675-9000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$1.00 Par Value	MUR	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

Number of shares of Common Stock, \$1.00 par value, outstanding at July 31, 2025 was 142,731,820.

MURPHY OIL CORPORATION
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PART I – FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS
MURPHY OIL CORPORATION AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

<i>(Thousands of dollars, except share amounts)</i>	June 30, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 379,631	\$ 423,569
Accounts receivable, net	274,033	272,530
Inventories	62,515	54,858
Prepaid expenses	45,946	34,322
Total current assets	762,125	785,279
Property, plant and equipment, at cost less accumulated depreciation, depletion and amortization of \$14,436,980 in 2025 and \$13,811,539 in 2024	8,347,423	8,054,653
Operating lease assets	673,223	777,536
Deferred charges and other assets	56,744	50,011
Total assets	\$ 9,839,515	\$ 9,667,479
LIABILITIES AND EQUITY		
Current liabilities		
Current maturities of long-term debt, finance lease	\$ 910	\$ 871
Accounts payable	509,225	472,165
Income taxes payable	23,792	19,003
Other taxes payable	30,304	31,685
Operating lease liabilities	190,659	253,208
Other accrued liabilities	84,303	117,802
Current asset retirement obligations	70,104	48,080
Total current liabilities	909,297	942,814
Long-term debt, including finance lease obligation	1,474,959	1,274,502
Asset retirement obligations	980,109	960,804
Deferred credits and other liabilities	254,400	274,345
Non-current operating lease liabilities	494,561	537,381
Deferred income taxes	369,009	335,790
Total liabilities	\$ 4,482,335	\$ 4,325,636
Equity		
Cumulative Preferred Stock, par \$100, authorized 400,000 shares, none issued	\$ —	\$ —
Common Stock, par \$1.00, authorized 450,000,000 shares, issued 195,100,628 shares in 2025 and 195,100,628 shares in 2024	195,101	195,101
Capital in excess of par value	841,833	848,950
Retained earnings	6,775,193	6,773,289
Accumulated other comprehensive loss	(537,778)	(628,072)
Treasury stock	(2,075,823)	(1,995,018)
Murphy Shareholders' Equity	5,198,526	5,194,250
Noncontrolling interest	158,654	147,593
Total equity	5,357,180	5,341,843
Total liabilities and equity	\$ 9,839,515	\$ 9,667,479

The accompanying notes are an integral part of these consolidated financial statements.

MURPHY OIL CORPORATION AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>(Thousands of dollars, except per share amounts)</i>				
Revenues and other income				
Revenue from production	\$ 683,065	\$ 797,510	\$ 1,355,795	\$ 1,592,113
Sales of purchased natural gas	—	3,497	—	3,742
Total revenue from sales to customers	683,065	801,007	1,355,795	1,595,855
Gain on derivative instruments	10,808	—	1,349	—
Gain on sale of assets and other operating income	1,697	1,764	4,137	3,328
Total revenues and other income	695,570	802,771	1,361,281	1,599,183
Costs and expenses				
Lease operating expenses	215,554	259,628	420,633	493,892
Severance and ad valorem taxes	10,828	10,417	19,478	20,503
Transportation, gathering and processing	54,070	53,470	102,921	110,023
Costs of purchased natural gas	—	2,987	—	3,147
Exploration expenses, including undeveloped lease amortization	10,399	42,677	24,887	87,106
Selling and general expenses	36,919	22,893	67,834	54,054
Depreciation, depletion and amortization	259,324	215,543	453,484	426,677
Accretion of asset retirement obligations	14,432	13,053	28,477	25,827
Impairment of assets	—	—	—	34,528
Other operating expense (income)	1,833	(2,219)	7,462	5,047
Total costs and expenses	603,359	618,449	1,125,176	1,260,804
Operating income from continuing operations	92,211	184,322	236,105	338,379
Other income (loss)				
Other income (loss)	(32,304)	26,245	(29,902)	37,796
Interest expense, net	(25,053)	(20,986)	(48,576)	(41,007)
Total other income (loss)	(57,357)	5,259	(78,478)	(3,211)
Income from continuing operations before income taxes	34,854	189,581	157,627	335,168
Income tax expense	1,032	32,676	33,754	62,733
Income from continuing operations	33,822	156,905	123,873	272,435
Income (loss) from discontinued operations, net of income taxes	1,302	(643)	669	(1,515)
Net income including noncontrolling interest	35,124	156,262	124,542	270,920
Less: Net income attributable to noncontrolling interest	12,844	28,523	29,226	53,179
NET INCOME ATTRIBUTABLE TO MURPHY	\$ 22,280	\$ 127,739	\$ 95,316	\$ 217,741
NET INCOME (LOSS) PER COMMON SHARE – BASIC				
Continuing operations	\$ 0.15	\$ 0.84	\$ 0.66	\$ 1.44
Discontinued operations	0.01	—	—	(0.01)
Net income	\$ 0.16	\$ 0.84	\$ 0.66	\$ 1.43
NET INCOME (LOSS) PER COMMON SHARE – DILUTED				
Continuing operations	\$ 0.15	\$ 0.83	\$ 0.66	\$ 1.43
Discontinued operations	0.01	—	—	(0.01)
Net income	\$ 0.16	\$ 0.83	\$ 0.66	\$ 1.42
Cash dividends per common share	\$ 0.325	\$ 0.300	\$ 0.650	\$ 0.600
Average common shares outstanding (thousands)				
Basic	142,721	152,153	143,502	152,409
Diluted	143,216	153,144	144,144	153,480

The accompanying notes are an integral part of these consolidated financial statements.

MURPHY OIL CORPORATION AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>(Thousands of dollars)</i>				
Net income including noncontrolling interest	\$ 35,124	\$ 156,262	\$ 124,542	\$ 270,920
Other comprehensive income (loss), net of tax				
Net gain (loss) from foreign currency translation	90,222	(16,824)	88,555	(52,352)
Retirement and postretirement benefit plans	875	914	1,739	1,824
Other comprehensive income (loss)	91,097	(15,910)	90,294	(50,528)
Comprehensive income including noncontrolling interest	126,221	140,352	214,836	220,392
Less: Comprehensive income attributable to noncontrolling interest	12,844	28,523	29,226	53,179
COMPREHENSIVE INCOME ATTRIBUTABLE TO MURPHY	\$ 113,377	\$ 111,829	\$ 185,610	\$ 167,213

The accompanying notes are an integral part of these consolidated financial statements.

MURPHY OIL CORPORATION AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Six Months Ended June 30,	
	2025	2024
<i>(Thousands of dollars)</i>		
Operating Activities		
Net income including noncontrolling interest	\$ 124,542	\$ 270,920
Adjustments to reconcile net income to net cash provided by continuing operations activities		
Depreciation, depletion and amortization	453,484	426,677
Accretion of asset retirement obligations	28,477	25,827
Long-term non-cash compensation	22,016	21,823
Deferred income tax expense	21,216	53,928
Amortization of undeveloped leases	3,909	5,778
Mark-to-market loss on derivative instruments	(1,371)	—
Unsuccessful exploration well costs and previously suspended exploration costs	(776)	58,280
(Income) loss from discontinued operations	(669)	1,515
Impairment of assets	—	34,528
Other operating activities, net	(2)	(33,959)
Net decrease in non-cash working capital	7,905	1,126
Net cash provided by continuing operations activities	658,731	866,443
Investing Activities		
Property additions and dry hole costs	(678,043)	(516,876)
Acquisition of oil and natural gas properties	(1,383)	—
Net cash required by investing activities	(679,426)	(516,876)
Financing Activities		
Borrowings on revolving credit facility	350,000	200,000
Repayment of revolving credit facility	(150,000)	(200,000)
Retirement of debt	—	(50,000)
Repurchase of common stock	(102,620)	(105,887)
Cash dividends paid	(93,412)	(91,545)
Withholding tax on stock-based incentive awards	(7,654)	(25,298)
Distributions to noncontrolling interest	(18,165)	(61,210)
Finance lease obligation payments	(486)	(331)
Issue costs of revolving debt facility	(18)	—
Net cash required by financing activities	(22,355)	(334,271)
Effect of exchange rate changes on cash and cash equivalents		
Net (decrease) increase in cash and cash equivalents	(888)	1,249
Cash and cash equivalents at beginning of period	423,569	317,074
Cash and cash equivalents at end of period	\$ 379,631	\$ 333,619

The accompanying notes are an integral part of these consolidated financial statements.

MURPHY OIL CORPORATION AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>(Thousands of dollars except number of shares)</i>				
Common Stock				
Balance at beginning and end of period – par \$1.00, authorized 450,000,000 shares at June 30, 2025 and June 30, 2024, issued 195,100,628 shares at June 30, 2025 and June 30, 2024	\$ 195,101	\$ 195,101	\$ 195,101	\$ 195,101
Capital in Excess of Par Value				
Balance at beginning of period	830,945	816,815	848,950	880,297
Restricted stock transactions and other	(398)	(99)	(27,736)	(70,486)
Share-based compensation	11,286	10,145	20,619	17,050
Balance at end of period	841,833	826,861	841,833	826,861
Retained Earnings				
Balance at beginning of period	6,799,299	6,590,308	6,773,289	6,546,079
Net income attributable to Murphy	22,280	127,739	95,316	217,741
Cash dividends paid	(46,386)	(45,772)	(93,412)	(91,545)
Balance at end of period	6,775,193	6,672,275	6,775,193	6,672,275
Accumulated Other Comprehensive Loss				
Balance at beginning of period	(628,875)	(555,735)	(628,072)	(521,117)
Foreign currency translation, net of income taxes	90,222	(16,824)	88,555	(52,352)
Retirement and postretirement benefit plans, net of income taxes	875	914	1,739	1,824
Balance at end of period	(537,778)	(571,645)	(537,778)	(571,645)
Treasury Stock				
Balance at beginning of period	(2,076,211)	(1,742,498)	(1,995,018)	(1,737,566)
Repurchase of common stock	—	(56,445)	(100,876)	(106,494)
Awarded restricted stock, net of forfeitures	388	71	20,071	45,188
Balance at end of period – 52,374,883 shares of common stock in 2025 and 43,884,080 shares of common stock in 2024, at cost	(2,075,823)	(1,798,872)	(2,075,823)	(1,798,872)
Murphy Shareholders' Equity	5,198,526	5,323,720	5,198,526	5,323,720
Noncontrolling Interest				
Balance at beginning of period	157,020	188,514	147,593	186,859
Net income attributable to noncontrolling interest	12,844	28,523	29,226	53,179
Distributions to noncontrolling interest owners	(11,210)	(38,209)	(18,165)	(61,210)
Balance at end of period	158,654	178,828	158,654	178,828
Total Equity	\$ 5,357,180	\$ 5,502,548	\$ 5,357,180	\$ 5,502,548

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

These notes are an integral part of the financial statements of Murphy Oil Corporation and Consolidated Subsidiaries (the Company or Murphy) on pages [2](#) through [6](#) of this Form 10-Q report.

Note A – Basis of Presentation

The unaudited financial statements presented herein, in the opinion of Murphy's management, include all adjustments necessary to present fairly the Company's financial position as at June 30, 2025 and December 31, 2024, and the results of operations, cash flows and changes in stockholders' equity for the interim periods ended June 30, 2025 and 2024, in conformity with U.S. generally accepted accounting principles (GAAP). In preparing the financial statements of the Company in conformity with GAAP, management has made a number of estimates and assumptions that affect the reporting of assets, liabilities, revenues, and expenses and the disclosure of contingent assets and liabilities. Actual results may differ from the estimates.

Consolidated financial statements and notes to consolidated financial statements included in this Form 10-Q report should be read in conjunction with the Company's 2024 Form 10-K report, as certain notes and other pertinent information have been abbreviated or omitted in this report. Financial results for the three-month and six-month periods ended June 30, 2025 are not necessarily indicative of future results.

Note B – New Accounting Principles and Recent Accounting Pronouncements

Accounting Principles Adopted

Reportable Segment Disclosures. In November 2023, the Financial Accounting Standards Board (FASB) issued *Accounting Standards Update (ASU) 2023-07 Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. The standard requires additional disclosures about operating segments, including segment expense information provided to the chief operating decision maker, and extends certain disclosure requirements to interim periods. The Company adopted this standard in the fourth quarter of 2024. The adoption did not impact the determination of significant segments and had no material impact on the Company's consolidated financial statements. These new disclosure requirements are applied retrospectively to all prior periods included in the financial statements. Refer to [Note P](#).

Recent Accounting Pronouncements

Expense Disaggregation Disclosures. In November 2024, the FASB issued *ASU 2024-03 Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The standard becomes effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. The standard requires specified information about certain costs and expenses presented on the face of the income statement to be further disaggregated in the notes to the financial statements. In addition, the standard requires certain expense and cost information that is not separately disaggregated to be qualitatively described. We expect this ASU to only impact our disclosures with no impacts to our results of operations, cash flows and financial condition.

Income Tax Disclosures. In December 2023, the FASB issued *ASU 2023-09 Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The standard becomes effective for annual periods beginning after December 15, 2024. The update requires financial statements to include consistent categories and greater disaggregation of information in the rate reconciliation, as well as income taxes paid disaggregated by jurisdiction. We expect this ASU to only impact our disclosures with no impacts to our results of operations, cash flows and financial condition.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note C – Revenue from Contracts with Customers

Nature of Goods and Services

The Company explores for and produces crude oil, natural gas and natural gas liquids (collectively referred to as oil and natural gas) in select basins around the world. The Company's revenue from sales of oil and natural gas production activities is primarily subdivided into two key geographic segments: the United States (U.S.) and Canada. Additionally, revenue from sales to customers is generated from three primary revenue streams: crude oil, natural gas and natural gas liquids (NGLs).

For operated oil and natural gas production where a non-operated working interest owner does not take in kind its proportionate interest in the produced commodity, the Company acts as an agent for the working interest owner and recognizes revenue only for its own share of the commingled production. The exception to this is the reporting of the noncontrolling interest (NCI) in MP Gulf of Mexico, LLC (MP GOM) as prescribed by GAAP.

U.S. - In the U.S., the Company primarily produces oil and natural gas from fields in the Eagle Ford Shale area of South Texas and in the Gulf of America. Revenue is generally recognized when oil and natural gas is transferred to the customer at the delivery point. Revenue recognized is largely index-based with price adjustments for floating market differentials.

Canada - In Canada, contracts include long-term floating commodity index priced and natural gas physical forward sales fixed price contracts. For the offshore business in Canada, contracts are based on index prices and revenue is recognized at the time of vessel load based on the volumes on the bill of lading and point of custody transfer. The Company also purchases natural gas in Canada to meet certain sales commitments.

Disaggregation of Revenue

The Company reviews performance based on two key geographical segments and between onshore and offshore sources of revenue within these geographies.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note C - Revenue from Contracts with Customers (Continued)

The Company's revenues and other income for the three-month and six-month periods ended June 30, 2025 and 2024 were as follows.

<i>(Thousands of dollars)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net crude oil and condensate revenue				
United States - Onshore	\$ 166,101	\$ 145,955	\$ 275,559	\$ 288,498
United States - Offshore ¹	343,080	501,692	695,442	982,131
Canada - Onshore	12,583	19,580	27,313	33,453
Canada - Offshore	45,741	43,326	120,210	98,101
Other	2,948	4,307	2,948	4,209
Total crude oil and condensate revenue	570,453	714,860	1,121,472	1,406,392
Net natural gas liquids revenue				
United States - Onshore	9,893	7,311	18,380	15,147
United States - Offshore ¹	8,311	9,337	17,560	19,711
Canada - Onshore	1,523	1,595	3,270	3,032
Total natural gas liquids revenue	19,727	18,243	39,210	37,890
Net natural gas revenue				
United States - Onshore	8,099	3,352	16,066	7,628
United States - Offshore ¹	16,726	10,500	36,667	23,389
Canada - Onshore	68,060	50,555	142,380	116,814
Total natural gas revenue	92,885	64,407	195,113	147,831
Revenue from production	683,065	797,510	1,355,795	1,592,113
Sales of purchased natural gas ²				
Canada - Onshore	—	3,497	—	3,742
Total sales of purchased natural gas	—	3,497	—	3,742
Total revenue from sales to customers	683,065	801,007	1,355,795	1,595,855
Gain on derivative instruments	10,808	—	1,349	—
Gain on sale of assets and other operating income	1,697	1,764	4,137	3,328
Total revenues and other income	\$ 695,570	\$ 802,771	\$ 1,361,281	\$ 1,599,183

¹ Includes revenue attributable to noncontrolling interest in MP GOM.

² Purchases of natural gas are reported on a gross basis when Murphy takes control of the product and has risks and rewards of ownership. Sales of purchased natural gas are reported when the contractual performance obligations are satisfied. This occurs at the time the product is delivered to a third-party purchaser at the contractually determinable price.

Contract Balances and Asset Recognition

As of June 30, 2025, and December 31, 2024, receivables from contracts with customers, net of royalties and associated payables, on the balance sheet from continuing operations, were \$172.2 million and \$178.3 million, respectively. Payment terms for the Company's sales vary across contracts and geographical regions, with the majority of the cash receipts required within 30 days of billing. Based on a forward-looking expected loss model in accordance with ASU 2016-13, the Company did not recognize any impairment losses on receivables or contract assets arising from customer contracts during the reporting periods.

The Company has not entered into any revenue contracts that have financing components as of June 30, 2025.

The Company does not employ sales incentive strategies such as commissions or bonuses for obtaining sales contracts. For the periods presented, the Company did not identify any assets to be recognized associated with the costs to obtain a contract with a customer.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note C – Revenue from Contracts with Customers (Continued)
Performance Obligations

The Company recognizes oil and natural gas revenue when it satisfies a performance obligation by transferring control over a commodity to a customer. Judgment is required to determine whether some customers simultaneously receive and consume the benefit of commodities. As a result of this assessment for the Company, each unit of measure of the specified commodity is considered to represent a distinct performance obligation that is satisfied at a point in time upon the transfer of control of the commodity.

For contracts with market or index-based pricing, which represent the majority of sales contracts, the Company has elected the allocation exception and allocates the variable consideration to each single performance obligation in the contract. As a result, there is no price allocation to unsatisfied remaining performance obligations for delivery of commodity product in subsequent periods.

The Company has entered into several long-term, fixed price contracts in Canada. The underlying reason for entering a fixed price contract is generally unrelated to anticipated future prices or other observable data and serves a particular purpose in the Company's long-term strategy.

As of June 30, 2025, the Company had the following sales contracts in place which are expected to generate revenue from sales to customers for a period over 12 months starting at the inception of the contract:

Location	Commodity	End Date	Description	Approximate Volumes
U.S.	Natural Gas and NGLs	Q2 2030	Deliveries from dedicated acreage in Eagle Ford Shale	As produced
Canada	Natural Gas	Q4 2025	Contracts to sell natural gas at USD index pricing	25 MMCFD
Canada	Natural Gas	Q4 2026	Contracts to sell natural gas at USD index pricing	49 MMCFD
Canada	Natural Gas	Q4 2027	Contracts to sell natural gas at USD index pricing	30 MMCFD
Canada	Natural Gas	Q4 2028	Contracts to sell natural gas at USD index pricing	10 MMCFD
Canada	Natural Gas	Q4 2025	Contracts to sell natural gas at CAD fixed pricing	40 MMCFD
Canada	Natural Gas	Q4 2026	Contracts to sell natural gas at CAD fixed pricing	50 MMCFD
Canada	NGLs	Q4 2026	Contracts to sell NGLs at CAD index pricing	As produced

The fixed price contracts above are accounted for as normal sales and purchases for accounting purposes.

Note D – Property, Plant and Equipment
Exploratory Wells

Under FASB guidance, exploratory well costs should continue to be capitalized when the well has found a sufficient quantity of reserves to justify its completion as a producing well and the Company is making sufficient progress assessing the reserves and the economic and operating viability of the project.

As of June 30, 2025, the Company had total capitalized drilling costs pending the determination of proved reserves of \$110.5 million. The following table reflects the net changes in capitalized exploratory well costs during the six-month periods ended June 30, 2025 and 2024.

(Thousands of dollars)

	2025	2024
Beginning balance at January 1	\$ 72,055	\$ 49,118
Additions pending the determination of proved reserves	38,469	20,391
Capitalized exploratory well costs charged to expense	—	(26,471)
Balance at June 30	\$ 110,524	\$ 43,038

Capital additions of \$38.5 million, for the six months ended June 30, 2025, were mainly for the Hai Su Vang-1X (Golden Sea Lion), Block 15/2-17 and Lac Da Hong-1X (Pink Camel), Block 15-1/05 exploration wells in Vietnam and long-lead equipment for the Cello #1 (Mississippi Canyon 385) and Banjo #1 (Mississippi Canyon 385) exploration wells in the Gulf of America. The Lac Da Hong-1X (Pink Camel) exploration well in Vietnam encountered 106 feet of net oil pay from one reservoir and continues to progress post-drill evaluations. Capital

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note D – Property, Plant and Equipment (Continued)

additions of \$20.4 million, for the six months ended June 30, 2024, were mainly for the non-operated Ocotillo #1 (Mississippi Canyon 40) exploration well in the Gulf of America.

There were no capitalized well costs charged to dry hole expense for the six months ended June 30, 2025. Capitalized well costs charged to dry hole expense of \$26.5 million for the six months ended June 30, 2024 were related to the Hoffe Park #1 (Mississippi Canyon 166) exploration well in the Gulf of America.

The preceding table excludes well costs of \$31.8 million incurred and expensed directly to dry hole for the six months ended June 30, 2024. This amount primarily related to the non-operated Orange #1 (Mississippi Canyon 216) exploration well in the Gulf of America.

The following table provides an aging of capitalized exploration well costs based on the date the drilling was completed for each individual well.

<i>(Thousands of dollars)</i>	June 30,			
	2025		2024	
	Amount	No. of Wells	Amount	No. of Wells
Aging of capitalized well costs:				
Zero to one year	\$ 16,002	5	\$ 20,545	3
One to two years	72,004	3	—	—
Two to three years	—	—	—	—
Three years or more	22,518	3	22,493	3
	\$ 110,524	11	\$ 43,038	6

Of the \$94.5 million of exploration well costs capitalized and classified as more than one year at June 30, 2025, \$65.0 million was in Vietnam, \$22.1 million was in the Gulf of America, \$4.7 million was in Canada, and \$2.7 million was in Brunei. In all geographical areas, either further appraisal or development drilling is planned and/or development studies/plans are in various stages of completion.

Property Additions

During the first quarter of 2025, Murphy purchased a floating production storage and offloading vessel (FPSO) from BW Offshore (UK) Limited for a gross purchase price of \$125.0 million, subject to customary closing adjustments. An initial payment of \$100.0 million was made in the first quarter of 2025, with the remaining balance paid during the second quarter of 2025, after certain contractual obligations were met. The FPSO will remain at its current location, supporting operations at the Cascade field (Walker Ridge 206 and 250) and Chinook field (Walker Ridge 469 and 425) in the Gulf of America. BW Offshore (UK) Limited will continue to provide operations and maintenance services under a new five-year contract.

Impairments

There were no impairments in the three and six months ended June 30, 2025, as well as no impairments in the three months ended June 30, 2024. There were pretax impairments of \$34.5 million in the six months ended June 30, 2024 related to the Calliope field in Mississippi Canyon in the Gulf of America, in which operational issues led to a reserve reduction.

Subsequent Event

Subsequent to quarter end, on July 1, 2025, the Company purchased additional working interests in Eagle Ford Shale, in acreages primarily operated by Murphy, for \$23.0 million, subject to certain post-closing adjustments.

Note E – Financing Arrangements and Debt

As of June 30, 2025, the Company had a \$1.35 billion revolving credit facility (RCF). The RCF is a senior unsecured guaranteed facility which expires on October 7, 2029. At June 30, 2025, the Company had \$200.0 million of outstanding borrowings under the RCF and \$0.4 million of outstanding letters of credit, which reduce the borrowing capacity of the RCF. At June 30, 2025, the interest rate in effect on borrowings under the RCF was 6.67%. At June 30, 2025, the Company was in compliance with all covenants related to the RCF.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note E – Financing Arrangements and Debt (Continued)

The Company also has a shelf registration statement on file with the U.S. Securities and Exchange Commission (SEC) that permits the offer and sale of debt and/or equity securities through October 15, 2027.

Note F – Other Financial Information
Supplemental Information to Statement of Cash Flows

<i>(Thousands of dollars)</i>	Six Months Ended June 30,	
	2025	2024
Net (increase) decrease in operating working capital, excluding cash and cash equivalents:		
(Increase) decrease in accounts receivable	\$ (976)	\$ 7,355
(Increase) decrease in inventories	(9,040)	2,170
(Increase) decrease in prepaid expenses	(11,009)	2,296
Increase (decrease) in accounts payable and accrued liabilities	24,141	(9,689)
Increase (decrease) in income taxes payable	4,789	(1,006)
Net decrease in non-cash working capital	<u>\$ 7,905</u>	<u>\$ 1,126</u>
Supplementary disclosures:		
Net cash income taxes (refunded) paid	\$ 423	\$ 3,236
Interest paid, net of amounts capitalized of \$2.9 million in 2025 and \$7.8 million in 2024	44,577	38,262
Non-cash investing activities:		
Asset retirement costs capitalized	\$ 9,427	\$ 16,175
(Increase) decrease in capital expenditure accrual	22,748	(24,780)

Note G – Asset Retirement Obligations

The asset retirement obligations liabilities (ARO) recognized by the Company are related to the estimated costs to dismantle and abandon its producing oil and natural gas properties and related equipment.

A reconciliation of the beginning and ending aggregate carrying amount of the ARO for the six-month periods ended June 30, 2025 and 2024 are shown in the following table.

<i>(Thousands of dollars)</i>	June 30, 2025	June 30, 2024
Balance at beginning of year	\$ 1,008,884	\$ 914,763
Accretion	28,477	25,827
Liabilities incurred	5,428	14,199
Revisions of previous estimates	3,999	1,995
Liabilities settled	(6,359)	(2,925)
Changes due to translation of foreign currencies	9,784	(4,541)
Balance at end of period	<u>1,050,213</u>	<u>949,318</u>
Current portion of liability	(70,104)	(25,622)
Non-current portion of liability	<u>\$ 980,109</u>	<u>\$ 923,696</u>

The estimation of future ARO is based on a number of assumptions requiring professional judgment. The Company cannot predict the type of revisions to these assumptions that may be required in future periods due to the availability of additional information such as: prices for oil field services, technological changes, governmental requirements and other factors.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note H – Employee and Retiree Benefit Plans

The Company has defined benefit pension plans that are principally noncontributory and cover most full-time employees. All pension plans are funded except for the U.S. and Canadian nonqualified supplemental plans and the U.S. directors' plan. All U.S. tax qualified plans meet the funding requirements of federal laws and regulations. Contributions to foreign plans are based on local laws and tax regulations. The Company also sponsors other postretirement benefits such as health care and life insurance benefit plans, which are not funded, that cover most retired U.S. employees. The health care benefits are contributory; the life insurance benefits are noncontributory.

The table that follows provides the components of net periodic benefit expense for the three-month and six-month periods ended June 30, 2025 and 2024.

	Three Months Ended June 30,			
	Pension Benefits		Other Postretirement Benefits	
	2025	2024	2025	2024
<i>(Thousands of dollars)</i>				
Service cost	\$ 1,683	\$ 1,706	\$ 84	\$ 135
Interest cost	8,482	8,393	708	782
Expected return on plan assets	(8,953)	(8,359)	—	—
Estimated defined contribution provision	62	54	—	—
Amortization of prior service cost (credit)	492	579	(133)	(133)
Recognized actuarial loss (gain)	1,914	2,361	(1,057)	(812)
Total net periodic benefit expense	<u>\$ 3,680</u>	<u>\$ 4,734</u>	<u>\$ (398)</u>	<u>\$ (28)</u>

	Six Months Ended June 30,			
	Pension Benefits		Other Postretirement Benefits	
	2025	2024	2025	2024
<i>(Thousands of dollars)</i>				
Service cost	\$ 3,366	\$ 3,412	\$ 168	\$ 270
Interest cost	16,880	16,784	1,416	1,564
Expected return on plan assets	(17,824)	(16,716)	—	—
Estimated defined contribution provision	122	109	—	—
Amortization of prior service cost (credit)	983	1,158	(266)	(266)
Recognized actuarial loss (gain)	3,805	4,721	(2,113)	(1,624)
Total net periodic benefit expense	<u>\$ 7,332</u>	<u>\$ 9,468</u>	<u>\$ (795)</u>	<u>\$ (56)</u>

The components of net periodic benefit expense, other than the service cost, are recorded in "Other income (loss)" in the Consolidated Statements of Operations.

During the six-month period ended June 30, 2025, the Company made contributions of \$18.6 million to its defined benefit pension and postretirement benefit plans. Remaining funding in 2025 for the Company's defined benefit pension and postretirement plans is anticipated to be \$12.3 million.

Note I – Incentive Plans

The Company recognizes expenses for all share-based and cash-based incentive compensation in the Consolidated Statements of Operations using a fair value-based measurement method over the applicable vesting periods.

The Annual Incentive Plan (AIP) authorizes the Compensation Committee (the Committee) to establish specific performance goals associated with annual cash awards that may be earned by officers, executives and certain

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**Note I – Incentive Plans (Continued)**

other employees. Cash awards under the AIP are determined based on the Company's actual financial and operating results as measured against the performance goals established by the Committee.

In May 2025, the Company's shareholders approved the 2025 Long-Term Incentive Plan (the 2025 Long-Term Plan) to replace the 2020 Long-Term Incentive Plan (the 2020 Long-Term Plan). All awards granted on or after May 14, 2025, will be made under the 2025 Long-Term Plan. The 2025 Long-Term Plan will expire in 2035 and authorizes the issuance of up to 3.885 million shares of common stock over its term. Additional information on the 2025 Long-Term Plan can be found in [Exhibit A to definitive proxy statement filed on March 28, 2025](#).

Similar to the 2020 Long-Term Plan, the 2025 Long-Term Plan authorizes the Committee to make grants of the Company's common stock and stock-based awards to employees. These grants may be in the form of stock options (nonqualified or incentive), stock appreciation rights (SARs), restricted stock, restricted stock units (RSUs), performance units, performance shares, dividend equivalents and other stock-based incentives.

Shares issued pursuant to awards granted under the 2025 Long-Term Plan and the previous 2020 Long-Term Plan, may be shares that are authorized and unissued or shares that were reacquired by the Company, including shares repurchased on the open market. Share awards that have been canceled, expired, forfeited, or otherwise not issued will not count as shares issued under both plans.

During the six months ended June 30, 2025, the Committee granted the following awards from the 2020 Long-Term Plan:

Type of Award	Number of Awards Granted	Grant Date	Grant Date Fair Value	Valuation Methodology
Performance-based RSUs (TSR) ¹	520,150	February 4, 2025	\$ 22.11	Monte Carlo
Performance-based RSUs (ROACE) ¹	129,990	February 4, 2025	\$ 25.98	Average Stock Price
Time-based RSUs (Stock-Settled) ²	470,440	February 4, 2025	\$ 25.98	Average Stock Price
Time-based RSUs (Cash-Settled) ²	771,390	February 4, 2025	\$ 25.98	Average Stock Price

¹ Performance-based RSUs are tied to the achievement of Total Shareholder Return (TSR) and Return on Average Capital Employed (ROACE) performance goals and are scheduled to vest three years from the date of grant if performance conditions are met.

² Time-based RSUs generally vest on the third anniversary of the date of grant.

The Company also maintains a Stock Plan for Non-Employee Directors (NEDs) that permits the issuance of RSUs, stock options, or a combination thereof to the Company's NEDs.

The Company currently has outstanding incentive awards issued to Directors under the 2021 Stock Plan for NEDs (the 2021 NED Plan) and the 2018 Stock Plan for NEDs. All awards granted on or after May 12, 2021 were made under the 2021 NED Plan.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note I – Incentive Plans (Continued)

During the six months ended June 30, 2025, the Committee granted the following awards to NEDs under the 2021 NED Plan:

Type of Award	Number of Awards Granted	Grant Date	Grant Date Fair Value	Valuation Methodology
Time-Based RSUs ¹	74,970	February 5, 2025	\$ 26.68	Closing Stock Price
Time-Based RSUs ²	2,114	March 31, 2025	\$ 28.40	Closing Stock Price
Time-Based RSUs ²	2,668	June 30, 2025	\$ 22.50	Closing Stock Price

¹ NED's time-based RSUs are scheduled to vest on the first anniversary of the date of grant. NEDs may elect to defer settlement of their vested time-based RSUs until (1) termination of service from the Board or (2) a future date selected by the director at the time of their deferral election. These unvested time-based RSUs are included in the table above, will vest in one year, and become deferred RSUs.

² Effective January 1, 2024, NEDs can elect to receive their annual retainers in the form of deferred RSUs. Director fees which are deferred into RSUs are calculated and expensed each quarter by taking fees earned in respect of the applicable quarter and dividing by the closing price of our common stock on the last trading day of the quarter. Each deferred RSU represents the right to receive one share of common stock following (1) termination of service from the Board or (2) a future date selected by the director at the time of their deferral election.

Amounts recognized in the financial statements with respect to share-based plans are shown in the following table.

<i>(Thousands of dollars)</i>	Six Months Ended June 30,	
	2025	2024
Compensation charged against income before tax benefit	\$ 20,758	\$ 19,987
Related income tax benefit recognized in income	2,832	2,067

Certain incentive compensation granted to the Company's named executive officers, to the extent their total compensation exceeds \$1.0 million per executive per year, is not eligible for a U.S. income tax deduction under the current tax law.

Note J – Net Income (Loss) Per Common Share

Net income attributable to Murphy was used as the numerator in computing both basic and diluted income per common share for the three-month and six-month periods ended June 30, 2025 and 2024. The following table reconciles the weighted-average shares outstanding used for these computations.

<i>(Weighted-average shares)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Basic method	142,720,904	152,153,401	143,502,425	152,408,912
Dilutive restricted stock units	494,710	990,183	641,426	1,070,766
Diluted method	143,215,614	153,143,584	144,143,851	153,479,678

Note K – Income Taxes

The Company's effective income tax rate is calculated as the amount of income tax expense (benefit) divided by income (loss) from continuing operations before income taxes. For the three-month and six-month periods ended June 30, 2025 and 2024, the Company's effective income tax rates were as follows:

	2025	2024
Three months ended June 30,	3.0%	17.2%
Six months ended June 30,	21.4%	18.7%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**Note K – Income Taxes (Continued)**

The effective tax rate for the three-month period ended June 30, 2025 was below the U.S. statutory tax rate of 21% primarily due to several factors including: no tax applied to the pretax income of the noncontrolling interest in MP GOM, a Canada tax credit received, and the effects of tax losses generated in Canada which has a higher tax rate. These impacts are partially offset by exploration and other expenses in certain foreign jurisdictions, for which no income tax benefits are currently available as well as stock-based compensation.

The effective tax rate for the three-month period ended June 30, 2024 was below the U.S. statutory tax rate of 21% primarily due to no tax applied to the pretax income of the noncontrolling interest in MP GOM, and a Canada tax credit received. These impacts are partially offset by the effects of income generated in foreign tax jurisdictions, certain of which have income tax rates higher than the U.S. Federal rate, and certain expenses, including exploration and other expenses in certain foreign jurisdictions, for which no income tax benefits are currently available.

The effective tax rate for the six-month period ended June 30, 2025 was above the U.S. statutory tax rate of 21% primarily due to several factors including: the effects of income generated in foreign tax jurisdictions, certain of which have income tax rates higher than the U.S. Federal rate; U.S. state tax expense; stock-based compensation; and certain expenses, including exploration and other expenses in certain foreign jurisdictions, for which no income tax benefits are currently available. These impacts were partially offset by no tax applied to the pretax income of the noncontrolling interest in MP GOM, and a Canada tax credit received.

The effective tax rate for the six-month period ended June 30, 2024 was below the U.S. statutory tax rate of 21% primarily due to no tax applied to the pretax income of the noncontrolling interest in MP GOM, and a Canada tax credit received. These impacts were partially offset by several factors including: the effects of income generated in foreign tax jurisdictions, certain of which have income tax rates higher than the U.S. Federal rate; U.S. state tax expense and certain expenses, including exploration and other expenses in certain foreign jurisdictions, for which no income tax benefits are currently available.

The Company's tax returns in multiple jurisdictions are subject to audit by taxing authorities. These audits often take years to complete and settle. Although the Company believes that recorded liabilities for unsettled issues are adequate, additional gains or losses could occur in future years from resolution of outstanding unsettled matters. Additionally, the Company could be required to pay amounts into an escrow account as any matters are identified and appealed with the relevant taxing authorities. As of June 30, 2025, the earliest years remaining open for audit and/or settlement in our major taxing jurisdictions are as follows: U.S. – 2016; Canada – 2016; and Malaysia – 2018. The Company has retained certain possible liabilities and rights to income tax receivables relating to Malaysia for the years prior to 2019.

Subsequent to the balance sheet date, on July 4, 2025, the current U.S. Administration signed into law the legislation commonly referred to as the One Big Beautiful Bill Act (OBBBA), which includes a broad range of tax reform provisions affecting corporations. The OBBBA, among other changes, permanently reinstates the "bonus" depreciation provisions that allow for the immediate expensing of 100% of the cost of certain qualified property acquired and placed in service after January 19, 2025, permanently reinstates the elective immediate expensing of domestic research and experimental expenditures paid or incurred in tax years beginning after December 31, 2024 (with a special transition rule that allows accelerated deduction of the remaining unamortized balance of capitalized domestic research and experimental expenditures), and permanently relaxes the limitation on the deductibility of business interest effective for tax years beginning after December 31, 2024. The OBBBA also modifies certain international tax provisions effective for tax years beginning after December 31, 2025. The Company is currently evaluating the impact of these tax law changes and will recognize the income tax effects in the consolidated financial statements beginning in the period in which the OBBBA was signed into law.

Note L – Financial Instruments and Risk Management

Murphy, at times, uses derivative instruments to manage certain risks related to commodity prices, foreign currency exchange rates and interest rates. The use of derivative instruments for risk management is covered by operating policies and is closely monitored by the Company's senior management. The Company does not hold any derivatives for speculative purposes, and it does not use derivatives with leveraged or complex features. Derivative instruments are traded with creditworthy major financial institutions or over national

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note L – Financial Instruments and Risk Management (Continued)

exchanges such as the New York Mercantile Exchange (NYMEX). The Company has a risk management control system to monitor commodity price risks and any derivatives obtained to manage a portion of such risks. For accounting purposes, the Company has not designated commodity and foreign currency derivative contracts as hedges, and therefore, it recognizes all gains and losses on these derivative contracts in its Consolidated Statements of Operations.

Foreign Currency Exchange Risks

The Company is subject to foreign currency exchange risk associated with operations in countries outside the U.S. The Company had no foreign currency exchange derivatives outstanding at June 30, 2025 and 2024.

Commodity Price Risks

The Company is subject to commodity price risk related to products it produces and sells. During the second quarter of 2025, the Company had the following open natural gas swap contracts. Under the swaps contracts, which mature monthly, the Company pays the average monthly price in effect and receives the fixed contract price on a notional amount of sales volume, thereby fixing the price for the commodity sold.

At June 30, 2025, volumes per day associated with outstanding natural gas derivative contracts and the weighted average prices for these contracts are as follows:

NYMEX Henry Hub	Area	Commodity	Volumes MMCF/d	Price/MCF	Start Date	End Date
Fixed price derivative swap	United States	Natural Gas	60 \$	3.65	7/1/2025	9/30/2025
Fixed price derivative swap	United States	Natural Gas	60 \$	3.74	10/1/2025	12/31/2025

During first six months ended June 30, 2025, the Company did not have any crude oil derivative contracts. During first six months ended June 30, 2024, the Company did not have any crude oil or natural gas derivative contracts.

At June 30, 2025 and December 31, 2024, the fair value of derivative instruments not designated as hedging instruments are presented in the following table:

(Thousands of dollars)

Type of Derivative Contract	Balance Sheet Location	Asset (Liability) Derivatives Fair Value	
		June 30, 2025	December 31, 2024
Commodity swaps	Accounts payable	\$ (337)	\$ (1,707)

For the three-month and six-month periods ended June 30, 2025 and 2024, the gains and losses recognized in the Consolidated Statements of Operations for derivative instruments not designated as hedging instruments are presented in the following table:

(Thousands of dollars)

Type of Derivative Contract	Statement of Operations Location	Gain (Loss)		Gain (Loss)	
		Three Months Ended June 30,		Six Months Ended June 30,	
		2025	2024	2025	2024
Commodity swaps	Gain on derivative instruments	\$ 10,808	\$ —	\$ 1,349	\$ —

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note L – Financial Instruments and Risk Management (Continued)
Fair Values – Recurring

The Company carries certain assets and liabilities at fair value in its Consolidated Balance Sheets. The fair value hierarchy is based on the quality of inputs used to measure fair value, with Level 1 being the highest quality and Level 3 being the lowest quality. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are observable inputs other than quoted prices included within Level 1. Level 3 inputs are unobservable inputs which reflect assumptions about pricing by market participants.

The fair value measurements for these assets and liabilities at June 30, 2025 and December 31, 2024, are shown in the following table.

<i>(Thousands of dollars)</i>	June 30, 2025				December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities:								
Commodity swaps	\$ —	\$ 337	\$ —	\$ 337	\$ —	\$ 1,707	\$ —	\$ 1,707
Nonqualified employee savings plan	19,763	—	—	19,763	19,469	—	—	19,469
	<u>\$ 19,763</u>	<u>\$ 337</u>	<u>\$ —</u>	<u>\$ 20,100</u>	<u>\$ 19,469</u>	<u>\$ 1,707</u>	<u>\$ —</u>	<u>\$ 21,176</u>

The commodity swaps liability as of June 30, 2025 was \$0.3 million and recorded as "Accounts payable" in the Consolidated Balance Sheets. The fair value of commodity swaps was based on active market quotes for NYMEX Henry Hub natural gas. The before tax income effect of changes in the fair value of natural gas derivative contracts is recorded in "Loss on derivative instruments" in the Consolidated Statements of Operations.

The nonqualified employee savings plan is an unfunded savings plan through which participants seek a return via phantom investments in equity securities and/or mutual funds. The fair value of this liability was based on quoted prices for these equity securities and mutual funds. The income effect of changes in the fair value of the nonqualified employee savings plan is recorded in "Selling and general expenses" in the Consolidated Statements of Operations.

The Company offsets certain assets and liabilities related to derivative contracts when the legal right of offset exists. There were no offsetting positions recorded at June 30, 2025 and December 31, 2024.

The following table presents the carrying amounts and estimated fair values of financial instruments held by the Company at June 30, 2025 and December 31, 2024. The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties. The table excludes cash and cash equivalents, trade accounts receivable, trade accounts payable and accrued expenses, all of which had fair values approximating carrying amounts. The fair value of current and long-term debt was estimated based on rates offered to the Company at that time for debt of the same maturities. Substantially all of the Company's long-term debt is actively traded in open markets, and accordingly, is classified as Level 1 in the fair value hierarchy. The Company has off-balance sheet exposures relating to certain letters of credit. The fair value of these, which represents fees associated with obtaining the instruments, were minimal.

<i>(Thousands of dollars)</i>	June 30, 2025		December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities:				
Current and long-term debt	\$ 1,475,869	\$ 1,354,719	\$ 1,275,374	\$ 1,185,961

Fair Values – Nonrecurring

There were no impairment expenses incurred in the three and six months ended June 30, 2025 or the three months ended June 30, 2024.

In the six months ended June 30, 2024, an impairment charge of \$34.5 million was triggered for the Calliope field, due to operational issues that led to reserve reductions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note L – Financial Instruments and Risk Management (Continued)

The fair values were determined by internal discounted cash flow models using estimates of future production, prices, costs and discount rates believed to be consistent with those used by principal market participants in the applicable region.

The fair value information associated with the impaired properties is presented in the following table.

<i>(Thousands of dollars)</i>	Six Months Ended June 30, 2024				
	Fair Value			Net Book Value Prior to Impairment	Total Pretax Impairment
	Level 1	Level 2	Level 3		
Property, plant and equipment:					
Impaired proved properties					
United States - Offshore	\$ —	\$ —	\$ 437	\$ 34,965	\$ 34,528

Note M – Accumulated Other Comprehensive Loss

The components of “Accumulated other comprehensive loss” on the Consolidated Balance Sheets at December 31, 2024 and June 30, 2025 and the changes during the six-month period ended June 30, 2025 are presented net of taxes in the following table.

<i>(Thousands of dollars)</i>	Foreign Currency Translation Gains (Losses)	Retirement and Postretirement Benefit Plan Adjustments	Total
Balance at December 31, 2024	\$ (516,324)	\$ (111,748)	\$ (628,072)
Components of other comprehensive income (loss):			
Before reclassifications to income	88,555	—	88,555
Reclassifications to income ¹	—	1,739	1,739
Net other comprehensive income (loss)	88,555	1,739	90,294
Balance at June 30, 2025	\$ (427,769)	\$ (110,009)	\$ (537,778)

¹ Reclassifications before taxes of \$2.1 million are included in the computation of net periodic benefit expense for the six-month period ended June 30, 2025. See [Note H](#) for additional information. Related income taxes of \$0.3 million are included in “Income tax expense” on the Consolidated Statements of Operations for the six-month period ended June 30, 2025.

Note N – Environmental and Other Contingencies

The Company’s operations and earnings have been and may be affected by various forms of governmental action both in the United States and throughout the world. Examples of such governmental action include, but are by no means limited to: tax legislation changes, including tax rate changes, and retroactive tax claims; trade policies, tariffs and other trade restrictions; royalty and revenue sharing increases; import and export controls; price controls; currency controls; allocation of supplies of crude oil and petroleum products and other goods; expropriation of property; restrictions and preferences affecting the issuance of oil and natural gas or mineral leases; restrictions on drilling and/or production; laws, regulations and government action intended for the promotion of safety and the protection and/or remediation of the environment including in connection with the purported causes or potential impacts of climate change; governmental support for other forms of energy; and laws and regulations affecting the Company’s relationships with employees, suppliers, customers, stockholders and others. Given the factors involved in various government actions, including political considerations, it is difficult to predict their likelihood, the form they may take, or the effect they may have on the Company.

ENVIRONMENTAL MATTERS – Murphy and other companies in the oil and natural gas industry are subject to numerous federal, state, local and foreign laws and regulations dealing with the environment and protection of health and safety. The principal environmental, health and safety laws and regulations to which Murphy is subject address such matters as the generation, storage, handling, use, disposal and remediation of petroleum

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**Note N – Environmental and Other Contingencies (Continued)**

products, wastewater and hazardous materials; the emission and discharge of such materials to the environment, including methane and other greenhouse gas (GHG) emissions; wildlife, habitat and water protection; water access, use and disposal; the placement, operation and decommissioning of production equipment; the health and safety of our employees, contractors and communities where our operations are located, including indigenous communities; and the causes and impacts of climate change. These laws and regulations also generally require permits for existing operations, as well as the construction or development of new operations and the decommissioning of facilities once production has ceased.

Violation of federal or state environmental, health and safety laws, regulations and permits can result in the imposition of significant civil and criminal penalties, injunctions and construction bans or delays. A discharge of hazardous substances into the environment could, to the extent such event is not adequately insured, subject the Company to substantial expense, including both the cost to comply with applicable regulations and claims by neighboring landowners and other third parties for any personal injury and property damage that might result. In addition, Item 103 of SEC Regulation S-K requires disclosure of certain environmental matters when a governmental authority is a party to the proceedings and such proceedings involve potential monetary sanctions that the Company reasonably believes will exceed a specified threshold. Pursuant to SEC amendments to this item, the Company will be using a threshold of \$1.0 million for such proceedings and the Company is not aware of environmental legal proceedings likely to exceed this \$1.0 million threshold.

In recent years, there has been an increase in regulatory oversight of the oil and natural gas industry at the state and federal level, with a focus on climate change and GHG emissions (including methane emissions). For example, in March 2024, the U.S. Environmental Protection Agency (EPA) published its final rule regulating methane and volatile organic compounds emissions in the oil and natural gas industry which, among other things, requires periodic inspections to detect leaks (and subsequent repairs), places stringent restrictions on venting and flaring of methane, and establishes a program whereby third parties can monitor and report large methane emissions to the U.S. EPA. In November 2024, the U.S. EPA published its final rule implementing a charge on large emitters of waste methane from the oil and gas sector. This rule, however, was disapproved by a joint Congressional resolution in March 2025. In addition, an international climate agreement (the Paris Agreement) was agreed to at the 2015 United Nations Framework Convention on Climate Change in Paris, France. In January 2025, the United States submitted formal notification to the United Nations that it intends to withdraw from the Paris Agreement. Pursuant to the terms of the Paris Agreement, the withdrawal will take effect on January 27, 2026. While presidential administrations may modify, revise or repeal rules related to climate change and GHG emissions, the general trend has been towards stricter regulation over time. Further, many states have adopted or are considering regulations related to GHG emissions.

The Company currently owns or leases, and has in the past owned or leased, properties at which hazardous substances have been or are being handled. Hazardous substances may have been disposed of or released on or under the properties owned or leased by the Company or on or under other locations where these wastes have been taken for disposal. In addition, many of these properties have been operated by third parties whose treatment and disposal or release of hydrocarbons or other wastes were not under Murphy's control. Under existing laws, the Company could be required to investigate, remove or remediate previously disposed wastes (including wastes disposed of or released by prior owners or operators), to investigate and clean up contaminated property (including contaminated groundwater) or to perform remedial plugging operations to prevent future contamination. Certain of these historical properties are in various stages of negotiation, investigation, and/or cleanup, and the Company is investigating the extent of any such liability and the availability of applicable defenses. The Company has retained certain liabilities related to environmental matters at formerly owned U.S. refineries that were sold in 2011. The Company also obtained insurance covering certain levels of environmental exposures related to past operations of these refineries. Murphy USA Inc. has retained any environmental exposure associated with Murphy's former U.S. marketing operations that were spun-off in August 2013. The Company believes costs related to these sites will not have a material adverse effect on Murphy's net income, financial condition or liquidity in a future period. Depending on the evolution of laws, regulations and litigation outcomes relating to climate change, there can be no guarantee that climate change litigation will not in the future materially adversely affect our results of operations, cash flows and financial condition.

There is the possibility that environmental expenditures could be required at currently unidentified sites, and additional expenditures could be required at known sites. However, based on information currently available to the Company, the amount of future investigation and remediation costs incurred at known or currently

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**Note N – Environmental and Other Contingencies (Continued)**

unidentified sites is not expected to have a material adverse effect on the Company's future net income, cash flows or liquidity.

LEGAL MATTERS – Murphy and its subsidiaries are engaged in a number of other legal proceedings (including litigation related to climate change), all of which Murphy considers routine and incidental to its business. Based on information currently available to the Company, the ultimate resolution of environmental and legal matters referred to in this note is not expected to have a material adverse effect on the Company's net income, financial condition or liquidity in a future period.

Note O – Common Stock Issued and Outstanding

Activity in the number of shares of common stock issued and outstanding for the six-month periods ended June 30, 2025 and 2024 is shown below.

<i>(Number of shares outstanding)</i>	June 30, 2025	June 30, 2024
Beginning of period	145,845,124	152,748,642
Restricted stock awards ¹	494,071	1,102,501
Treasury shares purchased	(3,613,450)	(2,634,595)
End of period	142,725,745	151,216,548

¹ Shares issued upon award of restricted stock are less withholding for statutory income taxes owed upon issuance of shares.

On August 8, 2024, the Company's Board of Directors authorized a share repurchase program whereby the Company can repurchase up to \$1,100.0 million of its common stock. This repurchase program has no time limit and may be suspended or discontinued completely at any time without prior notice as determined by the Company at its discretion and dependent upon a variety of factors.

During the three months ended June 30, 2025, the Company did not repurchase any share of its common stock. During the six months ended June 30, 2025, the Company repurchased 3.6 million shares of its common stock under the share repurchase program for \$100.0 million (\$100.9 million including excise taxes and fees). As of June 30, 2025, the Company had \$550.1 million of its common stock remaining available to repurchase under the program.

Note P – Business Segments

Information about business segments and geographic operations is reported in the following tables. For geographic purposes, revenues are attributed to the country in which the sale occurs. Corporate, including interest income, other gains and losses, interest expense and unallocated overhead, is shown in the table to reconcile the business segments to consolidated totals. The Company has accounted for its former United Kingdom (U.K.), Malaysia, and U.S. refining and marketing operations as discontinued operations for all periods presented. Murphy's President and Chief Executive Officer, Eric M. Hambly, acts as the Chief Operating Decision Maker (CODM).

"Other segment costs (income)" below are those items that are included in Segment income (loss) but are not regularly provided to the CODM or are reported to the CODM but are not considered to be significant segment expenses. "Other segment costs (income)" for the periods presented included certain pension amortization costs allocated to the reportable segments, and dividend income from short-term investment accounts attributed to the Canada segment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note P – Business Segments (Continued)

	Exploration and Production				Corporate, Other, and Discontinued Operations	Consolidated Total
	United States ¹	Canada	Other	Total E&P		
<i>(Millions of dollars)</i>						
Three Months Ended June 30, 2025						
Revenue from production	\$ 552.2	\$ 127.9	\$ 2.9	\$ 683.0	\$ —	\$ 683.0
Gain on sales of assets and other operating income	1.3	0.4	—	1.7	13.1	14.8
Revenues from external customers	553.5	128.3	2.9	684.7	13.1	697.8
Lease operating expenses						
Lease operating expenses and taxes other than income	100.0	46.6	0.9	147.5	—	147.5
Repair and maintenance	13.9	1.1	—	15.0	—	15.0
Workovers	52.6	0.5	—	53.1	—	53.1
Total lease operating expenses	166.5	48.2	0.9	215.6	—	215.6
Severance and ad valorem taxes	10.5	0.3	—	10.8	—	10.8
Transportation, gathering and processing	30.3	23.8	—	54.1	—	54.1
Costs of purchased natural gas	—	—	—	—	—	—
Selling and general expenses	4.8	5.7	2.6	13.1	23.8	36.9
Exploration Expenses						
Geological and geophysical	0.7	—	0.2	0.9	—	0.9
Dry holes and previously suspended exploration costs	(1.0)	—	0.1	(0.9)	—	(0.9)
Other exploratory costs, including undeveloped lease amortization and delay lease rentals	3.6	—	6.8	10.4	—	10.4
Total exploration expenses	3.3	—	7.1	10.4	—	10.4
Depreciation, depletion and amortization	218.3	38.1	1.2	257.6	1.7	259.3
Accretion of asset retirement obligations	11.6	2.6	0.2	14.4	—	14.4
Other operating expenses	1.3	0.7	(1.4)	0.6	1.2	1.8
Interest Income	(0.5)	—	—	(0.5)	(2.7)	(3.2)
Interest expense, net of capitalization	—	0.2	—	0.2	24.9	25.1
Income tax expense						
Current income tax expense (benefit)	0.7	0.3	0.2	1.2	(5.0)	(3.8)
Deferred income tax expense (benefit)	19.2	(2.2)	(0.7)	16.3	(11.5)	4.8
Total income tax expense (benefit)	19.9	(1.9)	(0.5)	17.5	(16.5)	1.0
Other segment costs (income)	1.0	0.1	0.1	1.2	35.3	36.5
Segment income (loss) - including NCI ¹	\$ 86.5	\$ 10.5	\$ (7.3)	\$ 89.7	\$ (54.6)	\$ 35.1
Assets						
Additions to property, plant, equipment	\$ 176.2	\$ 45.7	\$ 20.8	\$ 242.7	\$ 2.7	\$ 245.4
Total assets at quarter-end	6,984.9	2,038.6	364.4	9,387.9	451.6	9,839.5

¹ Includes results attributable to a noncontrolling interest in MP GOM.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note P – Business Segments (Continued)

	Exploration and Production				Corporate, Other, and Discontinued Operations	Consolidated Total
	United States ¹	Canada	Other	Total E&P		
<i>(Millions of dollars)</i>						
Three Months Ended June 30, 2024						
Revenue from production	\$ 678.1	\$ 115.1	\$ 4.3	\$ 797.5	\$ —	\$ 797.5
Sales of purchased natural gas	—	3.5	—	3.5	—	3.5
Gain on sales of assets and other operating income	1.4	0.4	—	1.8	—	1.8
Revenues from external customers	679.5	119.0	4.3	802.8	—	802.8
Lease operating expenses						
Lease operating expenses and taxes other than income	120.4	43.7	0.5	164.6	—	164.6
Repair and maintenance	15.7	0.9	—	16.6	—	16.6
Workovers	76.1	2.3	—	78.4	—	78.4
Total lease operating expenses	212.2	46.9	0.5	259.6	—	259.6
Severance and ad valorem taxes	10.0	0.4	—	10.4	—	10.4
Transportation, gathering and processing	34.2	19.3	—	53.5	—	53.5
Costs of purchased natural gas	—	3.0	—	3.0	—	3.0
Selling and general expenses	(3.4)	4.5	1.8	2.9	20.0	22.9
Exploration Expenses						
Geological and geophysical	3.0	0.1	5.0	8.1	—	8.1
Dry holes and previously suspended exploration costs	25.8	—	—	25.8	—	25.8
Other exploratory costs, including undeveloped lease amortization and delay lease rentals	3.8	0.1	4.9	8.8	—	8.8
Total exploration expenses	32.6	0.2	9.9	42.7	—	42.7
Depreciation, depletion and amortization	175.0	37.0	0.9	212.9	2.6	215.5
Impairment of assets	—	—	—	—	—	—
Accretion of asset retirement obligations	10.8	2.1	0.2	13.1	—	13.1
Other operating expenses	(3.1)	1.1	0.1	(1.9)	(0.3)	(2.2)
Interest Income	(20.1)	—	—	(20.1)	(2.7)	(22.8)
Interest expense, net of capitalization	—	0.1	—	0.1	20.8	20.9
Income tax expense						
Current income tax expense (benefit)	1.1	(3.5)	0.3	(2.1)	0.3	(1.8)
Deferred income tax expense (benefit)	42.7	(0.7)	0.6	42.6	(8.2)	34.4
Total income tax expense (benefit)	43.8	(4.2)	0.9	40.5	(7.9)	32.6
Other segment costs (income)	1.8	(0.3)	0.1	1.6	(4.2)	(2.6)
Segment income (loss) - including NCI ¹	\$ 185.7	\$ 8.9	\$ (10.1)	\$ 184.5	\$ (28.3)	\$ 156.2
Additions to property, plant, equipment	\$ 195.2	\$ 42.1	\$ 12.1	\$ 249.4	\$ 4.3	\$ 253.7
Total assets at quarter-end	7,222.6	2,050.5	244.2	9,517.3	376.4	9,893.7

¹ Includes results attributable to a noncontrolling interest in MP GOM.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note P – Business Segments (Continued)

	Exploration and Production				Corporate, Other, and Discontinued Operations	Consolidated Total
	United States ¹	Canada	Other	Total E&P		
<i>(Millions of dollars)</i>						
Six Months Ended June 30, 2025						
Revenue from production	\$ 1,059.7	\$ 293.2	\$ 2.9	\$ 1,355.8	\$ —	\$ 1,355.8
Gain on sales of assets and other operating income	3.3	0.8	—	4.1	3.6	7.7
Revenues from external customers	1,063.0	294.0	2.9	1,359.9	3.6	1,363.5
Lease operating expenses						
Lease operating expenses and taxes other than income	200.3	91.9	1.2	293.4	—	293.4
Repair and maintenance	24.1	2.6	—	26.7	—	26.7
Workovers	99.7	0.8	—	100.5	—	100.5
Total lease operating expenses	324.1	95.3	1.2	420.6	—	420.6
Severance and ad valorem taxes	18.8	0.7	—	19.5	—	19.5
Transportation, gathering and processing	59.0	43.9	—	102.9	—	102.9
Costs of purchased natural gas	—	—	—	—	—	—
Selling and general expenses	6.8	11.7	4.5	23.0	44.8	67.8
Exploration Expenses						
Geological and geophysical	3.9	—	0.5	4.4	—	4.4
Dry holes and previously suspended exploration costs	(0.8)	—	0.1	(0.7)	—	(0.7)
Other exploratory costs, including undeveloped lease amortization and delay lease rentals	6.3	0.1	14.8	21.2	—	21.2
Total exploration expenses	9.4	0.1	15.4	24.9	—	24.9
Depreciation, depletion and amortization	377.6	70.5	1.3	449.4	4.1	453.5
Accretion of asset retirement obligations	23.0	5.1	0.4	28.5	—	28.5
Other operating expenses	4.0	1.7	(1.3)	4.4	3.1	7.5
Interest Income	(0.9)	—	—	(0.9)	(6.0)	(6.9)
Interest expense, net of capitalization	—	—	0.1	0.1	48.5	48.6
Income tax expense						
Current income tax expense (benefit)	1.3	14.0	0.2	15.5	(2.9)	12.6
Deferred income tax expense (benefit)	43.7	(1.6)	(0.7)	41.4	(20.2)	21.2
Total income tax expense (benefit)	45.0	12.4	(0.5)	56.9	(23.1)	33.8
Other segment cost	1.8	0.6	0.3	2.7	35.6	38.3
Segment income (loss) - including NCI ¹	\$ 194.4	\$ 52.0	\$ (18.5)	\$ 227.9	\$ (103.4)	\$ 124.5
Additions to property, plant, equipment	\$ 493.2	\$ 101.1	\$ 56.1	\$ 650.4	\$ 7.0	\$ 657.4
Total assets at quarter-end	6,984.9	2,038.6	364.4	9,387.9	451.6	9,839.5

¹ Includes results attributable to a noncontrolling interest in MP GOM.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note P – Business Segments (Continued)

	Exploration and Production				Corporate, Other, and Discontinued Operations	Consolidated Total
	United States ¹	Canada	Other	Total E&P		
<i>(Millions of dollars)</i>						
Six Months Ended June 30, 2024						
Revenue from production	\$ 1,336.5	\$ 251.5	\$ 4.2	\$ 1,592.2	\$ —	\$ 1,592.2
Sales of purchased natural gas	—	3.7	—	3.7	—	3.7
Gain on sales of assets and other operating income	2.6	0.7	—	3.3	—	3.3
Revenues from external customers	1,339.1	255.9	4.2	1,599.2	—	1,599.2
Lease operating expenses						
Lease operating expenses and taxes other than income	240.6	90.4	0.7	331.7	—	331.7
Repair and maintenance	26.8	1.4	—	28.2	—	28.2
Workovers	131.5	2.5	—	134.0	—	134.0
Total lease operating expenses	398.9	94.3	0.7	493.9	—	493.9
Severance and ad valorem taxes	19.8	0.7	—	20.5	—	20.5
Transportation, gathering and processing	70.8	39.2	—	110.0	—	110.0
Costs of purchased natural gas	—	3.1	—	3.1	—	3.1
Selling and general expenses	(3.5)	9.6	3.0	9.1	45.0	54.1
Exploration Expenses						
Geological and geophysical	3.7	0.1	5.9	9.7	—	9.7
Dry holes and previously suspended exploration costs	57.1	—	1.2	58.3	—	58.3
Other exploratory costs, including undeveloped lease amortization and delay lease rentals	7.1	—	12.0	19.1	—	19.1
Total exploration expenses	67.9	0.1	19.1	87.1	—	87.1
Depreciation, depletion and amortization	349.0	71.3	0.9	421.2	5.5	426.7
Impairment of assets	34.5	—	—	34.5	—	34.5
Accretion of asset retirement obligations	21.1	4.3	0.4	25.8	—	25.8
Other operating expenses	3.2	2.0	0.1	5.3	(0.3)	5.0
Interest Income	(20.8)	—	—	(20.8)	(5.5)	(26.3)
Interest expense, net of capitalization	—	0.2	0.1	0.3	40.7	41.0
Income tax expense						
Current income tax expense	2.0	2.2	0.3	4.5	4.2	8.7
Deferred income tax expense (benefit)	72.5	0.5	0.3	73.3	(19.3)	54.0
Total income tax expense (benefit)	74.5	2.7	0.6	77.8	(15.1)	62.7
Other segment costs (income)	3.5	0.1	0.2	3.8	(13.6)	(9.8)
Segment income (loss) - including NCI ¹	\$ 320.2	\$ 28.3	\$ (20.9)	\$ 327.6	\$ (56.7)	\$ 270.9
Additions to property, plant, equipment	\$ 350.5	\$ 109.3	\$ 15.0	\$ 474.8	\$ 8.4	\$ 483.2
Total assets at quarter-end	7,222.6	2,050.5	244.2	9,517.3	376.4	9,893.7

¹ Includes results attributable to a noncontrolling interest in MP GOM.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) should be read together with the unaudited consolidated financial statements and accompanying notes for the quarter ended June 30, 2025 included under "[Item 1. Financial Statements](#)" of this Form 10-Q and the audited consolidated financial statements and related notes and MD&A included in Item 8 and 7, respectively, of our Annual Report on Form 10-K for the year ended December 31, 2024. This MD&A includes forward-looking statements that involve certain risks and uncertainties. See "[Forward-Looking Statements](#)" at the end of this section.

Overview

Murphy is an independent oil and natural gas company with a multi-basin onshore and offshore portfolio and significant exploration opportunities. The Company boasts over a century of strong execution and innovative, full-cycle development capabilities, with a focus on value creation to enhance shareholder returns. The Company's current operations include inventory located onshore in the Eagle Ford Shale, Tupper Montney and Kaybob Duvernay, as well as offshore in the Gulf of America and Canada. Murphy also strives to create long-term shareholder value through offshore exploration and development in the Gulf of America, Vietnam and Côte d'Ivoire.

The analysis and discussion in this section includes amounts attributable to a noncontrolling interest in MP GOM, unless otherwise noted.

Significant Company financial and operational highlights during the second quarter of 2025 were as follows:

- Increased production to 196,315 barrels of oil equivalent (BOE) per day (including NCI), up from 187,847 BOE per day in the second quarter of 2024, and up from 163,374 BOE per day in the first quarter of 2025
- Paid quarterly dividend of \$46.4 million (\$0.325 per share, or \$1.30 per share annualized)

Subsequent to the second quarter of 2025:

- Closed an acquisition of additional working interests in Eagle Ford Shale, in acreages primarily operated by Murphy, for a gross purchase price of \$23.0 million
- Declared a quarterly dividend of \$0.325 per share or \$1.30 per share annualized
- Signed a rig contract for our upcoming Côte d'Ivoire three-well exploration program

Murphy Oil Corporation's net income from continuing operations, including noncontrolling interest, for the three months ended June 30, 2025, was \$33.8 million, a decrease of \$123.1 million compared to the same period in 2024. Lower net income from continuing operations was driven primarily by lower revenues from production (\$114.4 million), lower other income (\$58.5 million), and higher depreciation, depletion and amortization expenses (DD&A) (\$43.8 million). These decreases were partially offset by lower lease operating expenses (\$44.1 million), lower exploration expenses (\$32.3 million), and lower income tax expenses (\$31.6 million).

Lower revenues during the quarter were the result of lower oil prices partially offset by higher production volumes. Lower other income was the result of unrealized foreign exchange losses and no repeat of prior year interest income on joint interest receivables. Higher DD&A was due to higher overall production. Lower lease operating expenses were caused primarily by less workover expenses in the current period and lower production handling fees related to lower Gulf of America production. Lower exploration expenses were due to no dry holes recorded in 2025 (2024: non-operated Orange #1 (Mississippi Canyon 216) exploration well), and lower income tax expenses were driven by lower net income.

For the three months ended June 30, 2025, total hydrocarbon production was 196,315 barrels of oil equivalent per day, an increase of 5% compared to the second quarter of 2024. The increase was principally due to higher production in the Eagle Ford Shale and Tupper Montney, partially offset by lower offshore production in both the U.S. and Canada. Higher production in the Eagle Ford Shale was primarily the result of new wells online during the period, and higher production at Tupper Montney was due to better well performance and no repeat of 2024 planned turnaround-related downtime. Lower production in the Gulf of America was caused by

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)**Overview (Continued)**

downtime and well performance issues at several wells but was partially offset by wells coming back online during the quarter.

Net income from continuing operations, including noncontrolling interest, for the six months ended June 30, 2025, was \$123.9 million, a decrease of \$148.6 million compared to the same period in 2024. Lower net income from continuing operations was largely driven by lower revenues from production (\$236.3 million), lower other income (\$67.7 million), and higher DD&A (\$26.8 million), and was partially offset by lower lease operating expenses (\$73.3 million), lower exploration expenses (\$62.2 million), lower impairment of assets (\$34.5 million), and lower income tax expenses (\$29.0 million).

Lower revenues were primarily driven by lower crude oil prices combined with decreased oil production in the current period. These items were partially offset by higher natural gas prices, and higher production volumes in the Eagle Ford Shale and Canada. Lower other income was the result of unrealized foreign exchange losses and no repeat of prior year interest income on joint interest receivables. Higher DD&A was due to higher production at new onshore wells. Lower lease operating expenses were caused primarily by less workover expenses in the current period and lower production handling fees related to reduced Gulf of America production. Lower exploration expenses were due to no dry holes recorded in 2025 (2024: non-operated Orange #1 (Mississippi Canyon 216) and Hoffe Park #1 (Mississippi Canyon 166) exploration wells). Impairment charges related to the Calliope field were recorded in the first quarter of 2024, and there were no impairment charges recorded in 2025. Lower income tax expenses were driven by lower net income.

For the six months ended June 30, 2025, total hydrocarbon production was 179,935 barrels of oil equivalent per day, a decrease of 1% compared to the same period in 2024. The decrease was principally due to lower offshore production in the Gulf of America, partially offset by increased production in the Eagle Ford Shale and in both onshore and offshore Canada. Lower production in the Gulf of America was caused by downtime and well performance issues at several wells but was partially offset by other wells coming back online. Higher production in the Eagle Ford Shale was the result of bringing online new wells in Karnes during the period, and higher production at Tupper Montney was due to better performance in 2025, and no repeat of planned turnaround-related downtime in 2024.

Murphy's continuing operations generate revenues through the production and sale of crude oil, natural gas and natural gas liquids in the United States and Canada. Changes in the price of crude oil and natural gas have a significant impact on the profitability of the Company. In order to make a profit and generate cash in its exploration and production business, revenue generated from the sales of oil and natural gas produced must exceed the combined costs of producing these products and expenses related to exploration, administration and capital borrowing from lending institutions and note holders. Geopolitical uncertainty surrounding domestic and foreign governmental regulations, including effects of trade policies, tariffs and other trade restrictions, can affect the demand for crude oil, natural gas and natural gas liquids, as well as the cost of oil field goods and services.

At June 30, 2025, the West Texas Intermediate (WTI) crude oil price was \$65.11 per barrel, whereas the crude oil price at the end of July 2025 was \$69.26, reflecting a 6% increase in price. As of August 4, 2025 closing, the NYMEX WTI forward curve price for the remainder of 2025 was \$65.03 per barrel. Reductions in commodity prices will reduce the Company's future profits and operating cash flows.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
Results of Operations

Murphy's Net income (loss) by type of business and geographic segment is presented below:

<i>(Millions of dollars)</i>	Income (Loss)			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Exploration and production				
United States	\$ 86.5	\$ 185.7	\$ 194.4	\$ 320.2
Canada	10.5	8.9	52.0	28.3
Other	(7.3)	(10.1)	(18.5)	(20.9)
Total exploration and production	89.7	184.5	227.9	327.6
Corporate and other	(55.9)	(27.7)	(104.1)	(55.2)
Income from continuing operations	33.8	156.8	123.8	272.4
Discontinued operations, net of tax ¹	1.3	(0.6)	0.7	(1.5)
Net income including noncontrolling interest	35.1	156.2	124.5	270.9
Less: Net income attributable to noncontrolling interest	12.8	28.5	29.2	53.2
Net income attributable to Murphy	\$ 22.3	\$ 127.7	\$ 95.3	\$ 217.7

¹ The Company has presented its former U.K., Malaysia and U.S. refining and marketing operations as discontinued operations in its consolidated financial statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
Results of Operations (Continued)
Exploration and Production Continuing Operations

The following section of Exploration and Production (E&P) continuing operations excludes the Corporate segment unless otherwise noted.

The following is a summarized statement of operations for E&P continuing operations:

<i>(Millions of dollars)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues and other income				
Revenue from production	\$ 683.0	\$ 797.5	\$ 1,355.8	\$ 1,592.1
Sales of purchased natural gas	—	3.5	—	3.7
Other income	1.7	1.8	4.1	3.4
Total revenues and other income	684.7	802.8	1,359.9	1,599.2
Cost and Expenses				
Lease operating expenses	215.5	259.6	420.6	493.9
Severance and ad valorem taxes	10.8	10.4	19.5	20.5
Transportation, gathering and processing	54.0	53.5	102.9	110.0
Costs of purchased natural gas	—	2.9	—	3.1
Depreciation, depletion and amortization	257.6	212.9	449.4	421.2
Impairments of assets	—	—	—	34.5
Accretion of asset retirement obligations	14.4	13.1	28.5	25.8
Total exploration expenses, including undeveloped lease amortization	10.4	42.8	24.9	87.2
Selling and general expenses	13.1	2.9	23.0	9.0
Other	1.6	(20.2)	6.3	(11.4)
Results of operations before taxes	107.3	224.9	284.8	405.4
Income tax provisions	17.6	40.4	56.9	77.8
Results of operations (excluding Corporate segment) ¹	\$ 89.7	\$ 184.5	\$ 227.9	\$ 327.6

¹ Includes results attributable to a noncontrolling interest in MP GOM.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
Results of Operations (Continued)
Pricing

The following table contains the weighted average sales prices for the three-month and six-month periods ended June 30, 2025 and 2024:

<i>(Weighted average sales prices)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Crude oil and condensate – dollars per barrel				
United States - Onshore	\$ 64.00	\$ 80.71	\$ 66.84	\$ 78.76
United States - Offshore ¹	64.48	81.67	68.23	79.61
Canada - Onshore ²	59.94	72.25	61.73	70.24
Canada - Offshore ²	64.76	84.34	70.39	85.25
Other ²	70.86	100.92	70.86	96.43
Natural gas liquids – dollars per barrel				
United States - Onshore	19.56	19.48	21.07	20.08
United States - Offshore ¹	19.35	22.77	22.75	23.56
Canada - Onshore ²	33.84	35.46	35.00	35.16
Natural gas – dollars per thousand cubic feet				
United States - Onshore	2.75	1.59	3.03	1.77
United States - Offshore ¹	3.47	2.00	3.89	2.32
Canada - Onshore ²	1.65	1.37	1.96	1.68

¹ Prices include the effect of noncontrolling interest in MP GOM.

² U.S. dollar equivalent.

The following table contains benchmark prices relevant to the Company for the three-month and six-month periods ended June 30, 2025 and 2024:

<i>(Average price for the period)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Oil and NGLs				
WTI (\$/BBL)	\$ 63.74	\$ 80.57	\$ 67.58	\$ 78.77
Natural gas				
NYMEX (\$/MMBTU)	3.16	2.04	3.72	2.23
AECO (C\$/MCF)	1.69	1.18	1.93	1.84

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Results of Operations (Continued)

Production Volumes

The following table contains hydrocarbons produced during the three-month and six-month periods ended June 30, 2025 and 2024. For further discussion on volumes, please see the [“Revenues from Production”](#) section on page 33.

<i>(Barrels per day unless otherwise noted)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net crude oil and condensate				
United States - Onshore	28,519	19,873	22,779	20,127
United States - Offshore ¹	58,840	66,818	57,222	66,448
Canada - Onshore	2,307	2,978	2,445	2,617
Canada - Offshore	5,638	7,506	7,237	6,885
Other	296	245	275	245
Total net crude oil and condensate	95,600	97,420	89,958	96,322
Net natural gas liquids				
United States - Onshore	5,557	4,125	4,818	4,145
United States - Offshore ¹	4,720	4,505	4,265	4,596
Canada - Onshore	494	494	516	474
Total net natural gas liquids	10,771	9,124	9,599	9,215
Net natural gas – thousands of cubic feet per day				
United States - Onshore	32,389	23,197	29,306	23,714
United States - Offshore ¹	52,964	57,762	52,062	55,462
Canada - Onshore	454,310	406,856	400,898	381,155
Total net natural gas	539,663	487,815	482,266	460,331
Total net hydrocarbons - including NCI ^{2,3}	196,315	187,847	179,935	182,259
Noncontrolling interest				
Net crude oil and condensate – barrels per day	(6,070)	(6,717)	(5,925)	(6,608)
Net natural gas liquids – barrels per day	(244)	(217)	(207)	(214)
Net natural gas – thousands of cubic feet per day	(1,942)	(2,003)	(1,590)	(2,039)
Total noncontrolling interest ^{2,3}	(6,638)	(7,268)	(6,397)	(7,162)
Total net hydrocarbons - excluding NCI ^{2,3}	189,677	180,579	173,538	175,097

¹ Includes net volumes attributable to a noncontrolling interest in MP GOM.

² Natural gas converted on an energy equivalent basis of 6:1.

³ NCI – noncontrolling interest in MP GOM.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
Results of Operations (Continued)
Sales Volumes

The following table contains hydrocarbons sold during the three-month and six-month periods ended June 30, 2025 and 2024. For further discussion on volumes, please see the "[Revenues from Production](#)" section on page 33.

<i>(Barrels per day unless otherwise noted)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net crude oil and condensate				
United States - Onshore	28,520	19,873	22,779	20,127
United States - Offshore ¹	58,469	67,507	56,313	67,781
Canada - Onshore	2,307	2,978	2,444	2,617
Canada - Offshore	7,762	5,645	9,436	6,322
Other	457	469	230	240
Total net crude oil and condensate	97,515	96,472	91,202	97,087
Net natural gas liquids				
United States - Onshore	5,557	4,125	4,819	4,145
United States - Offshore ¹	4,720	4,505	4,264	4,596
Canada - Onshore	494	494	516	474
Total net natural gas liquids	10,771	9,124	9,599	9,215
Net natural gas – thousands of cubic feet per day				
United States - Onshore	32,388	23,197	29,306	23,714
United States - Offshore ¹	52,964	57,762	52,062	55,462
Canada - Onshore	454,310	406,855	400,898	381,155
Total net natural gas	539,662	487,814	482,266	460,331
Total net hydrocarbons - including NCI ^{2,3}	198,230	186,898	181,179	183,024
Noncontrolling interest				
Net crude oil and condensate – barrels per day	(6,014)	(6,792)	(5,792)	(6,798)
Net natural gas liquids – barrels per day	(243)	(217)	(207)	(214)
Net natural gas – thousands of cubic feet per day	(1,942)	(2,003)	(1,590)	(2,039)
Total noncontrolling interest ^{2,3}	(6,581)	(7,343)	(6,264)	(7,352)
Total net hydrocarbons - excluding NCI ^{2,3}	191,649	179,555	174,915	175,672

¹ Includes net volumes attributable to a noncontrolling interest in MP GOM.

² Natural gas converted on an energy equivalent basis of 6:1.

³ NCI – noncontrolling interest in MP GOM.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
Results of Operations (Continued)

The following discussion of E&P continuing operations includes amounts attributable to a noncontrolling interest in MP GOM and excludes the Corporate segment unless otherwise noted.

Revenues from Production

The Company's production revenues by country and product were as follows:

<i>(Millions of dollars)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues from production				
United States - Oil	\$ 509.2	\$ 647.6	\$ 971.0	\$ 1,270.6
United States - Natural gas liquids	18.1	16.6	35.9	34.9
United States - Natural gas	24.8	13.9	52.7	31.0
Canada - Oil	58.3	62.9	147.5	131.6
Canada - Natural gas liquids	1.5	1.6	3.3	3.0
Canada - Natural gas	68.1	50.6	142.4	116.8
Other - Oil	2.9	4.3	2.9	4.2
Total revenue from production	\$ 683.0	\$ 797.5	\$ 1,355.8	\$ 1,592.1

Revenues from production for the three months ended June 30, 2025, decreased by \$114.4 million compared to the same period in 2024. Lower revenues were primarily driven by lower crude oil prices, combined with decreased oil production in the Gulf of America due to downtime related to workovers, planned turnarounds and well issues, primarily at the Samurai and Cascade & Chinook fields. These items were partially offset by higher natural gas prices, new wells online in the Eagle Ford Shale at the Karnes field, new wells online at Mormont in the Gulf of America, wells back online from downtime in the Gulf of America, and timing of deliveries in Canada Offshore.

Revenues from production for the six months ended June 30, 2025, decreased \$236.3 million compared to the same period in 2024. Lower revenues were primarily driven by lower crude oil prices, combined with decreased oil production in the Gulf of America due to downtime related to workovers, planned turnarounds and well issues, primarily at the Samurai and Cascade & Chinook fields. These items were partially offset by higher natural gas prices, new wells online in the Eagle Ford Shale and Gulf of America, as well as wells back online from downtime in the Gulf of America, and timing of deliveries in Canada Offshore.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
Results of Operations (Continued)
Lease Operating and Transportation, Gathering and Processing Expenses

The Company's total lease operating expenses and transportation, gathering and processing expenses by geographic area were as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
	(Millions of dollars)		(Dollars per equivalent barrel)		(Millions of dollars)		(Dollars per equivalent barrel)	
	2025	2024	2025	2024	2025	2024	2025	2024
Lease operating expenses								
United States - Onshore	\$ 29.5	\$ 37.0	\$ 8.20	\$ 14.61	\$ 59.2	\$ 72.7	\$ 10.08	\$ 14.14
United States - Offshore	137.0	175.2	20.91	23.58	264.9	326.2	21.13	21.96
Canada - Onshore	35.6	35.3	4.98	5.43	65.8	66.2	5.21	5.46
Canada - Offshore	12.6	11.6	17.86	22.60	29.5	28.1	17.29	24.43
Other	0.8	0.5	19.95	12.26	1.2	0.7	29.02	16.10
Total lease operating expenses	\$ 215.5	\$ 259.6	\$ 11.95	\$ 15.27	\$ 420.6	\$ 493.9	\$ 12.83	\$ 14.83
Transportation, gathering and processing								
United States - Onshore	\$ 2.1	\$ 2.4	\$ 0.62	\$ 0.93	\$ 4.5	\$ 5.0	\$ 0.77	\$ 0.99
United States - Offshore	28.1	31.8	4.28	4.29	54.5	65.8	4.35	4.43
Canada - Onshore	22.0	18.8	3.08	2.89	40.3	36.7	3.19	3.03
Canada - Offshore	1.8	0.5	2.53	1.01	3.6	2.5	2.10	2.13
Total transportation, gathering and processing	\$ 54.0	\$ 53.5	\$ 3.00	\$ 3.14	\$ 102.9	\$ 110.0	\$ 3.14	\$ 3.30

For the three months ended June 30, 2025, lease operating expenses decreased by \$44.1 million and transportation, gathering and processing expenses increased by \$0.5 million compared to the same period in 2024. In the Gulf of America, current quarter workovers at Marmalard, Khaleesi (completed in Q3 2025) and Samurai (completed in Q2 2025) were lower than expenditures at Neidermeyer in the prior year. In the Eagle Ford Shale, there were lower operating costs resulting from cost-savings initiatives including workforce reductions at the end of 2024, lower repairs and maintenance, and equipment optimization. The Company also realized lower operating costs at the U.S. Offshore Cascade & Chinook fields that resulted from the purchase of the FPSO. In addition, lower Gulf of America production handling fees, resulting from lower production, contributed to the decrease in the quarter. These decreases were partially offset by higher production volumes from both the U.S. Onshore and Canada Onshore areas.

For the six months ended June 30, 2025, lease operating expenses decreased by \$73.3 million, and transportation, gathering and processing expenses decreased by \$7.1 million compared to the same period in 2024. In the Gulf of America, workover costs at the Khaleesi, Mormont and Samurai fields were lower than expenditures at the Neidermeyer field in the prior year. In the Eagle Ford Shale, lower operating costs resulted from cost-savings initiatives including workforce reductions at the end of 2024, lower repairs and maintenance, and equipment optimization. The Company also realized lower operating costs at the U.S. Offshore Cascade & Chinook fields that resulted from the purchase of the FPSO. In addition, lower Gulf of America production handling fees, resulting from lower production, contributed to the decrease in the period. These decreases were partially offset by higher production volumes from both the U.S. Onshore and Canada Onshore areas.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
Results of Operations (Continued)
Depreciation, Depletion and Amortization Expenses

The Company's DD&A by geographic area were as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
	<i>(Millions of dollars)</i>		<i>(Dollars per equivalent barrel)</i>		<i>(Millions of dollars)</i>		<i>(Dollars per equivalent barrel)</i>	
	2025	2024	2025	2024	2025	2024	2025	2024
DD&A								
United States - Onshore	\$ 107.4	\$ 75.1	\$ 29.88	\$ 29.64	\$ 174.4	\$ 149.2	\$ 29.68	\$ 29.04
United States - Offshore	110.9	99.9	16.93	13.44	203.2	199.8	16.21	13.45
Canada - Onshore	30.0	30.8	4.20	4.76	54.1	59.0	4.29	4.86
Canada - Offshore	8.1	6.2	11.47	12.00	16.4	12.3	9.59	10.71
Other	1.2	0.9	28.38	20.69	1.3	0.9	31.02	20.68
Total DD&A	\$ 257.6	\$ 212.9	\$ 14.28	\$ 12.52	\$ 449.4	\$ 421.2	\$ 13.70	\$ 12.64

DD&A for the three months ended June 30, 2025 increased by \$44.7 million compared to the same period in 2024. The increase was primarily due to higher sales volumes at both U.S. and Canada Onshore areas, in addition to higher rates at U.S. Offshore.

DD&A for the six months ended June 30, 2025 increased by \$28.2 million. The increase was primarily due to higher sales volumes in the Eagle Ford Shale as a result of new wells and higher rates at U.S. Offshore, partially offset by lower production in the Gulf of America.

Impairment of Assets

There were no impairments for the three and six months ended June 30, 2025, as well as no impairments for the three months ended June 30, 2024.

Impairment of assets for the six months ended June 30, 2024 was \$34.5 million and related to the Calliope field in Mississippi Canyon in the Gulf of America, as a result of operational issues that led to a reserve reduction.

Exploration Expenses

The Company's exploration expenses were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>(Millions of dollars)</i>				
Exploration expenses				
Dry holes and previously suspended exploration costs	\$ (0.9)	\$ 25.9	\$ (0.7)	\$ 58.3
Geological and geophysical	0.8	8.2	4.4	9.6
Other exploration	8.2	5.7	17.3	13.5
Undeveloped lease amortization	2.3	3.0	3.9	5.8
Total exploration expenses, including undeveloped lease amortization	\$ 10.4	\$ 42.8	\$ 24.9	\$ 87.2

Exploration expenses for the three months ended June 30, 2025 decreased by \$32.4 million compared to the same period in 2024, primarily as a result of lower dry hole costs in the current period. In the second quarter of 2024, the dry hole costs related to the Orange #1 (Mississippi Canyon 216) non-operated exploration well in the Gulf of America that encountered non-commercial hydrocarbons.

Exploration expenses for the six months ended June 30, 2025 decreased by \$62.3 million compared to the same period in 2024. In 2024, there were dry holes and previously suspended exploration costs relating to the Orange

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)**Results of Operations (Continued)**

#1 (Mississippi Canyon 216) non-operated exploration well and for the previously suspended costs for Hoffe Park #1 (Mississippi Canyon 166) exploration well in the Gulf of America.

Income Taxes

Income taxes for the three and six months ended June 30, 2025 decreased by \$22.8 million and \$20.9 million, respectively, compared to the same periods in 2024. Lower income tax for each period is primarily the result of lower net income.

Corporate

Corporate activities include interest expense and income, foreign exchange effects, realized and unrealized gains/losses on derivative instruments (forward swaps to hedge commodity price) and corporate overhead not allocated to E&P. Realized and unrealized losses on derivative instruments result from increases in market natural gas prices relating to future periods whereby the swap contracts provided the Company with a fixed price.

For the three months ended June 30, 2025, the Corporate segment reported a loss of \$55.9 million, an unfavorable variance of \$28.2 million, compared to the same period in 2024. The unfavorable variance was primarily due to higher unrealized foreign exchange losses (\$39.8 million) primarily relating to our Canadian subsidiary, partially offset by unrealized gains on derivative instruments (\$10.3 million).

The Corporate segment reported a loss of \$104.1 million for the six months ended June 30, 2025, an unfavorable variance of \$48.9 million, compared to the same period in 2024. The unfavorable variance was primarily due to higher unrealized foreign exchange losses (\$50.0 million).

Financial Condition

The Company's primary sources of liquidity are cash on hand, net cash provided by continuing operations activities and available borrowing capacity under its senior unsecured RCF. The Company's liquidity requirements, both in the short-term and long-term, consist primarily of capital expenditures, debt maturity, retirement and interest payments, working capital requirements, dividend payments, and, as applicable, share repurchases. The Company may, from time to time, redeem, repurchase or otherwise acquire its outstanding notes through open market purchases, tender offers or pursuant to the terms of such securities. The Company believes that the primary sources of liquidity described above will be adequate to fund its liquidity needs over the next 12 months and the foreseeable future.

Cash Flows

The following table presents the Company's cash flows for the periods presented:

<i>(Millions of dollars)</i>	Six Months Ended June 30,	
	2025	2024
Net cash provided (required) by:		
Net cash provided by continuing operations activities	\$ 658.7	\$ 866.4
Net cash required by investing activities	(679.4)	(516.9)
Net cash required by financing activities	(22.4)	(334.3)
Effect of exchange rate changes on cash and cash equivalents	(0.9)	1.3
Net (decrease) increase in cash and cash equivalents	<u>\$ (43.9)</u>	<u>\$ 16.5</u>

Cash Provided by Continuing Operations Activities

Net cash provided by continuing operations activities for the six months ended June 30, 2025 was \$207.7 million lower compared to the same period in 2024. The decrease in cash flows from operations activities was primarily

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
Financial Condition (Continued)

due to lower revenue from production (\$236.3 million), partially offset by lower lease operating expenses (\$73.3 million).

Cash Required by Investing Activities

Net cash required by investing activities for the six months ended June 30, 2025 was \$162.6 million higher compared to the same period in 2024. The increase was primarily due to a gross payment of \$125.0 million for the purchase of an FPSO in the Gulf of America and higher development drilling at Eagle Ford Shale, partially offset by lower development drilling at Gulf of America.

A reconciliation of "Property additions and dry hole costs" in the Consolidated Statements of Cash Flows to total capital expenditures for continuing operations follows.

<i>(Millions of dollars)</i>	Six Months Ended June 30,	
	2025	2024
Property additions and dry hole costs per the cash flow statements	\$ 678.0	\$ 516.9
Acquisition of oil properties per the cash flow statements	1.4	—
Geophysical and other exploration expenses	19.3	19.0
Capital expenditure accrual changes and other	(20.3)	28.8
Total capital expenditures	\$ 678.4	\$ 564.7

Total accrual basis capital expenditures are shown below.

<i>(Millions of dollars)</i>	Six Months Ended June 30,	
	2025	2024
Capital Expenditures		
Exploration and production	\$ 671.4	\$ 556.3
Corporate	7.0	8.4
Total capital expenditures	\$ 678.4	\$ 564.7

Higher capital expenditures in the six months ended June 30, 2025 compared to the same period of 2024 were primarily attributable to higher field development costs in the Gulf of America attributable to the FPSO purchase and higher development drilling in the Eagle Ford Shale related to new wells online. Higher exploratory drilling in Vietnam and other development drilling in the Gulf of America also contributed to the increase. These increases were partially offset by lower exploration costs and development drilling costs in the Gulf of America due to prior year spend on the non-operated Ocotillo #1 (Mississippi Canyon 40) and Orange #1 (Mississippi Canyon 216) exploration wells, and Khaleesi development costs, respectively.

Capital expenditures in 2025 primarily relate to development drilling and field development activities in the Gulf of America (\$248.1 million), Eagle Ford Shale (\$230.2 million), Tupper Montney and Kaybob Duvernay (\$92.0 million), and in Vietnam (\$29.6 million). Exploration costs in 2025 were \$57.2 million, primarily comprised of activities in Vietnam for the Lac Da Hong-1X (Pink Camel), Block 15-1/05, and Hai Su Vang-1X (Golden Sea Lion), Block 15/2-17 exploration wells, and activities in the Gulf of America related to long lead equipment purchases for the Cello #1 (Mississippi Canyon 385) and Banjo #1 (Mississippi Canyon 385) exploration wells.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Financial Condition (Continued)

Cash Required by Financing Activities

Net cash required by financing activities for the six months ended June 30, 2025 decreased by \$311.9 million compared to the same period in 2024. In 2025, the cash required by financing activities was principally for the repurchase of common shares (\$102.6 million), year-to-date cash dividends to shareholders of \$0.65 per share (\$93.4 million), and distributions to the noncontrolling interest in MP GOM (\$18.2 million), and was partially offset by net borrowings on the senior unsecured RCF (\$200.0 million).

In 2024, cash required by financing activities was for the repurchase of common shares (\$105.9 million), cash dividends to shareholders (\$91.5 million), distributions to the noncontrolling interest in MP GOM (\$61.2 million), debt repurchases (\$50.0 million), and withholding tax on stock-based incentive awards (\$25.3 million).

Liquidity

At June 30, 2025, the Company had approximately \$1.5 billion of liquidity consisting of \$379.6 million in cash and cash equivalents and \$1,149.6 million available on its committed senior unsecured RCF with a major banking consortium.

The Company’s \$1.35 billion senior unsecured RCF expires in October 2029. As of June 30, 2025, the Company had \$200.0 million of outstanding borrowings under the RCF and \$0.4 million of outstanding letters of credit, which reduce the borrowing capacity of the RCF. At June 30, 2025, the interest rate in effect on borrowings under the RCF was 6.67%. At June 30, 2025, the Company was in compliance with all covenants related to the RCF.

Cash and invested cash are maintained in several operating locations outside the U.S. As of June 30, 2025, cash and cash equivalents held outside the U.S. included U.S. dollar equivalents of approximately \$112.4 million, the majority of which was held in Canada (\$73.6 million), Vietnam (\$9.0 million), Mexico (\$8.0 million), and the U.K. (\$7.7 million). In certain cases, the Company could incur cash taxes or other costs should these cash balances be repatriated to the U.S. in future periods. Canada currently collects a 5% withholding tax on any earnings repatriated to the U.S.

Working Capital

<i>(Millions of dollars)</i>	June 30, 2025	December 31, 2024
Working capital		
Total current assets	\$ 762.1	\$ 785.3
Total current liabilities	909.3	942.8
Net working capital liability	\$ (147.2)	\$ (157.5)

As of June 30, 2025, net working capital increased by \$10.4 million compared to December 31, 2024. The increase was primarily attributable to lower current operating lease obligations (\$62.5 million), lower other accrued liabilities (\$33.5 million), and higher prepaid expenses (\$11.6 million). These items were partially offset by lower cash and equivalents (\$43.9 million), higher accounts payable (\$37.1 million) and higher current asset retirement obligations (\$22.0 million).

Lower lease obligations were due to lower day rates on the Noble Stanley Lafosse drilling rig and the absence of lease rental payments related to the BW Pioneer FPSO in the Gulf of America. Lower other accrued liabilities were related to lower incentive award obligations in the current year, and higher prepaid expenses were primarily due to the renewal of insurance policies. Lower cash and equivalents were due to lower net income, the BW Pioneer FPSO purchase, and returns to shareholders in the form of share repurchases and dividends. Higher accounts payable related to higher production in the Eagle Ford Shale. Higher current asset retirement obligations related to planned abandonment activities in U.S. Offshore in the next 12 months.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)**Financial Condition (Continued)**Capital Employed

A summary of capital employed at June 30, 2025 and December 31, 2024 follows.

<i>(Millions of dollars)</i>	June 30, 2025		December 31, 2024	
	Amount	%	Amount	%
Capital employed				
Long-term debt	\$ 1,475.0	22.1 %	\$ 1,274.5	19.7 %
Murphy shareholders' equity	5,198.5	77.9 %	5,194.3	80.3 %
Total capital employed	\$ 6,673.5	100.0 %	\$ 6,468.8	100.0 %

At June 30, 2025, long-term debt of \$1,475.0 million increased by \$200.5 million compared to December 31, 2024, primarily as a result of amounts drawn on the senior unsecured RCF. The total of the fixed-rate notes had a weighted average maturity of 8.9 years and a weighted average coupon of 6.1%.

Murphy shareholders' equity increased by \$4.2 million in 2025, primarily due to foreign currency translation (\$88.6 million) and awarded restricted stock (\$20.1 million), partially offset by shares repurchased (\$100.9 million, including excise tax). A summary of transactions in stockholders' equity accounts is presented in the "[Consolidated Statements of Stockholders' Equity](#)" on page 6 of this Form 10-Q report.

Critical Accounting Estimates

As of June 30, 2025, there have been no significant changes to our critical accounting estimates since our Annual Report on Form 10-K for the year ended December 31, 2024.

Accounting Changes and Recent Accounting Pronouncements

See [Note B](#) to the Consolidated Financial Statements regarding the impact or potential impact of recent accounting pronouncements upon our financial position and results of operations.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
Other Key Performance Metrics

The Company uses other operational performance and income metrics to review operational performance.

Management uses adjusted net income, earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA, earnings before interest, taxes, depreciation and amortization, and exploration expenses (EBITDAX) and adjusted EBITDAX internally to evaluate the Company's operational performance and trends between periods and relative to its industry competitors. Adjusted net income and adjusted EBITDAX exclude certain items that management believes affect the comparability of results between periods. Management believes this information may be useful to investors and analysts to gain a better understanding of the Company's financial results. Adjusted net income, EBITDA, adjusted EBITDA, EBITDAX and adjusted EBITDAX are non-GAAP financial measures and should not be considered substitutes for net income (loss) or cash provided by operating activities as determined in accordance with GAAP.

The following table reconciles net income attributable to Murphy to adjusted net income from continuing operations attributable to Murphy.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>(Millions of dollars, except per share amounts)</i>				
Net income attributable to Murphy (GAAP) ¹	\$ 22.3	\$ 127.7	\$ 95.3	\$ 217.7
Discontinued operations (income) loss	(1.3)	0.6	(0.7)	1.5
Net income from continuing operations attributable to Murphy	21.0	128.3	94.6	219.2
Adjustments:				
Foreign exchange loss (gain)	34.3	(5.5)	34.3	(16.0)
Mark-to-market (gain) on derivative instruments	(10.3)	—	(1.4)	—
Impairment of assets	—	—	—	34.5
Write-off of previously suspended exploration well	—	—	—	26.1
Total adjustments, before taxes	24.0	(5.5)	32.9	44.6
Income tax (benefit) expense related to adjustments	(6.5)	1.4	(8.3)	(8.8)
Total adjustments, after taxes	17.5	(4.1)	24.6	35.8
Adjusted net income from continuing operations attributable to Murphy (Non-GAAP)	\$ 38.5	\$ 124.2	\$ 119.2	\$ 255.0
Net income from continuing operations per average diluted share (GAAP)	\$ 0.15	\$ 0.83	\$ 0.66	\$ 1.43
Adjusted net income from continuing operations per average diluted share (Non-GAAP)	\$ 0.27	\$ 0.81	\$ 0.83	\$ 1.66

¹ Excludes amounts attributable to a noncontrolling interest in MP GOM.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
Other Key Performance Metrics (Continued)

The following table reconciles net income attributable to Murphy to EBITDA, adjusted EBITDA, EBITDAX and adjusted EBITDAX attributable to Murphy.

<i>(Millions of dollars)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income attributable to Murphy (GAAP) ¹	\$ 22.3	\$ 127.7	\$ 95.3	\$ 217.7
Income tax expense	1.1	32.7	33.8	62.7
Interest expense, net	25.1	21.0	48.6	41.0
Depreciation, depletion and amortization expense ¹	250.8	207.3	438.2	410.1
EBITDA attributable to Murphy (Non-GAAP)	299.3	388.7	615.9	731.5
Exploration expenses	10.3	42.7	24.8	87.1
EBITDAX attributable to Murphy (Non-GAAP)	\$ 309.6	\$ 431.4	\$ 640.7	\$ 818.6
EBITDA attributable to Murphy (Non-GAAP)	\$ 299.3	\$ 388.7	\$ 615.9	\$ 731.5
Foreign exchange loss (gain)	34.3	(5.4)	34.3	(15.9)
Accretion of asset retirement obligations ¹	12.9	11.7	25.4	23.1
Mark-to-market (gain) on derivative instruments	(10.3)	—	(1.4)	—
Impairment of assets	—	—	—	34.5
Write-off of previously suspended exploration well	—	—	—	26.1
Discontinued operations (income) loss	(1.3)	0.6	(0.7)	1.5
Adjusted EBITDA attributable to Murphy (Non-GAAP)	\$ 334.9	\$ 395.6	\$ 673.5	\$ 800.8
Other exploration expenses ²	10.3	42.7	24.8	61.0
Adjusted EBITDAX attributable to Murphy (Non-GAAP)	\$ 345.2	\$ 438.3	\$ 698.3	\$ 861.8

¹ Excludes amounts attributable to a noncontrolling interest in MP GOM.

² Other exploration expenses consist of exploration expenses as reported in the consolidated statement of operations excluding amounts relating to the write-off of previously suspended exploration well included in Adjusted EBITDA calculation above.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)
Other Key Performance Metrics (Continued)

Management uses free cash flow (FCF) and adjusted FCF internally as additional measures of liquidity to evaluate the Company's ability to internally generate cash, excluding the timing impacts of working capital, and to measure funds available for investing and financing activities. Management also believes this information may be useful to investors and analysts to monitor the Company's financial health and its performance over time. Adjusted FCF excludes certain items that management believes affect the comparability of results between periods. FCF and Adjusted FCF are non-GAAP financial measures and should not be considered a substitute for net cash provided by operating, investing, or financing activities as determined in accordance with GAAP.

The following table reconciles net cash provided by continuing operations activities to FCF and adjusted FCF.

<i>(Millions of dollars)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net cash provided by continuing operations activities (GAAP)	\$ 358.1	\$ 467.7	\$ 658.7	\$ 866.4
Exclude: increase (decrease) in non-cash working capital	(30.7)	(25.5)	(7.9)	(1.1)
Operating cash flow excluding working capital adjustments	327.4	442.2	650.8	865.3
Less: property additions and dry hole costs ¹	(309.6)	(267.8)	(678.0)	(516.9)
Free cash flow (Non-GAAP)	\$ 17.8	\$ 174.4	\$ (27.2)	\$ 348.4
Less: cash dividends paid	(46.4)	(45.8)	(93.4)	(91.5)
Less: distributions to noncontrolling interest	(11.2)	(38.2)	(18.2)	(61.2)
Less: withholding tax on stock-based incentive awards	—	—	(7.7)	(25.3)
Less: acquisition of oil and natural gas properties	—	—	(1.4)	—
Adjusted free cash flow (Non-GAAP)	\$ (39.8)	\$ 90.4	\$ (147.9)	\$ 170.4

¹ Property additions for the 2025 period include a payment of \$125.0 million for the purchase of a floating production, storage, and offloading vessel in the U.S. Offshore, including amounts attributable to a noncontrolling interest in MP GOM.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)**Outlook**

The oil and natural gas industry is impacted by global commodity pricing and as a result the prices for the Company's primary products are often volatile and are affected by the levels of supply and demand for energy. As discussed in the "[Results of Operations](#)" section discussing revenues, on page 33, lower average crude oil and higher natural gas pricing during the second quarter of 2025 compared to the same period in 2024 directly impacted the Company's product sales revenue.

As of close on August 4, 2025, forward price curves for existing forward contracts for the remainder of 2025 and 2026 are shown in the following table.

	2025	2026
WTI (\$/BBL)	65.03	62.87
NYMEX (\$/MMBTU)	3.36	3.92
AECO (US\$ Equivalent/MCF)	1.45	2.23

In late June 2025, Shell Canada Energy announced its first cargo of liquefied natural gas (LNG) shipped from the Kitimat facility in British Columbia. Increases in export levels of Canadian liquefied natural gas would impact our natural gas-weighted Canadian business.

In April 2025, the U.S. government announced a baseline tariff of 10% on products imported from all countries and an additional individualized reciprocal tariff on the countries with which the United States has the largest trade deficits. Increased tariffs by the United States have led and may continue to lead to the imposition of retaliatory tariffs by foreign jurisdictions. Additionally, the U.S. government has announced and rescinded multiple tariffs on several foreign jurisdictions, which has increased uncertainty regarding the ultimate effect of the tariffs on economic conditions. Current uncertainties about tariffs and their effects on trading relationships may affect costs for and availability of goods and services used in E&P operations or contribute to inflation in the countries in which we operate. Although we are continuing to monitor the economic effects of such announcements, as well as opportunities to mitigate their related impacts, costs and other effects associated with the tariffs remain uncertain.

We cannot predict what impact economic factors (including, but not limited to, inflation, global conflicts, trade policies, tariffs, other trade restrictions, and possible economic recession) may have on future commodity pricing and future costs for goods and services in the E&P operations. Lower prices or higher costs, should they occur, will result in lower profits and operating cash flows and could result in material future impairment charges.

For the third quarter of 2025, production is expected to average between 185.0 and 193.0 thousand barrels of oil equivalents per day, excluding noncontrolling interest.

The Company's capital expenditures for 2025 are expected to be between \$1,135 million and \$1,285 million, excluding noncontrolling interest. This includes net acquisition capital of \$104 million for the BW Pioneer FPSO in the Gulf of America, and excludes \$23.0 million for the purchase of additional working interests in Eagle Ford Shale acreage primarily operated by Murphy. The Cello #1 (Mississippi Canyon 385) and Banjo #1 (Mississippi Canyon 385) exploration wells in the Gulf of America will be drilled in the third and fourth quarters of 2025. The Company remains on schedule to commence a three-well exploration program in Côte d'Ivoire in the fourth quarter of 2025. We will also begin drilling an appraisal well at our recent Hai Su Vang-1X (Golden Sea Lion), Block 15/2-17 oil discovery well in the third quarter, with results expected in the fourth quarter. In addition, we continue field development activities in Vietnam at Lac Da Vang (Golden Camel), Block 15-1/05, with scheduled first oil anticipated in the fourth quarter of 2026.

Capital and other expenditures are routinely reviewed and planned capital expenditures may be adjusted to reflect differences between budgeted and forecast cash flow during the year. Capital expenditures may also be affected by asset purchases or sales, which often are not anticipated at the time a budget is prepared. The Company will primarily fund its capital program in 2025 using operating cash flow and available cash. If oil and/or natural gas prices weaken, actual cash flow generated from operations could be reduced such that capital spending reductions are required and/or additional borrowings under available credit facilities might be required during the year to maintain funding of the Company's ongoing development projects.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Outlook (Continued)

The Company plans to utilize any surplus cash (not planned to be used by operations, investing activities, dividends or payment to noncontrolling interests) in accordance with the Company’s capital allocation plan designed to allow for additional shareholder returns and debt reduction. Details of the plan can be found in the “Capital Allocation” section of the Company’s Form 8-K filed on May 7, 2025. Based on current market conditions and our planned exploration and appraisal program, the Company is currently more likely to use available adjusted Free Cash Flow for share repurchases than bond repayment.

Subsequent to the balance sheet date, on July 4, 2025, the current U.S. Administration signed into law the OBBBA legislation, which includes a broad range of tax reform provisions affecting corporations. The OBBBA, among other changes, permanently reinstates the "bonus" depreciation provisions that allow for the immediate expensing of 100% of the cost of certain qualified property acquired and placed in service after January 19, 2025, permanently reinstates the elective immediate expensing of domestic research and experimental expenditures paid or incurred in tax years beginning after December 31, 2024 (with a special transition rule that allows accelerated deduction of the remaining unamortized balance of capitalized domestic research and experimental expenditures), and permanently relaxes the limitation on the deductibility of business interest effective for tax years beginning after December 31, 2024. The OBBBA also modifies certain international tax provisions effective for tax years beginning after December 31, 2025. The Company is currently evaluating the impact of these tax law changes and will recognize the income tax effects in the consolidated financial statements beginning in the period in which the OBBBA was signed into law.

On August 8, 2024, the Company’s Board of Directors authorized a share repurchase program whereby the Company can repurchase up to \$1,100 million of the Company’s common stock, of which \$550 million remains available to repurchase as of June 30, 2025.

The Company continues to monitor the impact of commodity prices on its financial position and is currently in compliance with the covenants related to the senior unsecured RCF (see [Note E](#)).

As of August 4, 2025, the Company has entered into forward fixed price delivery contracts to manage risk associated with certain future oil and natural gas sales prices as follows:

Area	Commodity	Type ¹	Volumes (MMCF/d)	Price/MCF	Remaining Period	
					Start Date	End Date
Canada	Natural Gas	Fixed price forward sales	40	C\$2.75	7/1/2025	12/31/2025
Canada	Natural Gas	Fixed price forward sales	50	C\$3.03	1/1/2026	12/31/2026

¹ Fixed price forward sale contracts listed above are accounted for as normal sales and purchases for accounting purposes.

Area	Commodity	Type	Volumes (MMCF/d)	Price/MCF	Remaining Period	
					Start Date	End Date
United States	Natural Gas	Fixed price derivative swap	60	\$3.65	7/1/2025	9/30/2025
United States	Natural Gas	Fixed price derivative swap	60	\$3.74	10/1/2025	12/31/2025

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Forward-Looking Statements

This Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identified through the inclusion of words such as "aim", "anticipate", "believe", "drive", "estimate", "expect", "expressed confidence", "forecast", "future", "goal", "guidance", "intend", "may", "objective", "outlook", "plan", "position", "potential", "project", "seek", "should", "strategy", "target", "will" or variations of such words and other similar expressions. These statements, which express management's current views concerning future events, results and plans, are subject to inherent risks, uncertainties and assumptions (many of which are beyond our control) and are not guarantees of performance. In particular, statements, express or implied, concerning the Company's future operating results or activities and returns or the Company's ability and decisions to replace or increase reserves, increase production, generate returns and rates of return, replace or increase drilling locations, reduce or otherwise control operating costs and expenditures, generate cash flows, pay down or refinance indebtedness, achieve, reach or otherwise meet initiatives, plans, goals, ambitions or targets with respect to emissions, safety matters or other ESG (environmental/social/governance) matters, make capital expenditures or pay and/or increase dividends or make share repurchases and other capital allocation decisions are forward-looking statements. Factors that could cause one or more of these future events, results or plans not to occur as implied by any forward-looking statement, which consequently could cause actual results or activities to differ materially from the expectations expressed or implied by such forward-looking statements, include, but are not limited to: macro conditions in the oil and natural gas industry, including supply/demand levels, actions taken by major oil exporters and the resulting impacts on commodity prices; geopolitical concerns; increased volatility or deterioration in the success rate of our exploration programs or in our ability to maintain production rates and replace reserves; reduced customer demand for our products due to environmental, regulatory, technological or other reasons; adverse foreign exchange movements; political and regulatory instability in the markets where we do business; the impact on our operations or market of health pandemics such as COVID-19 and related government responses; other natural hazards impacting our operations or markets; any other deterioration in our business, markets or prospects; any failure to obtain necessary regulatory approvals; any inability to service or refinance our outstanding debt or to access debt markets at acceptable prices; or adverse developments in the U.S. or global capital markets, credit markets, banking system or economies in general, including inflation, trade policies, tariffs and other trade restrictions. For further discussion of factors that could cause one or more of these future events or results not to occur as implied by any forward-looking statement, see "Item 1A. Risk Factors" in our most recent Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (SEC) and on page 47 of this Form 10-Q report, and any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K that we file, available from the SEC's website and from Murphy Oil Corporation's website at <http://ir.murphyoilcorp.com>. Investors and others should note that we may announce material information using SEC filings, press releases, public conference calls, webcasts and the investors page of our website. We may use these channels to distribute material information about the Company; therefore, we encourage investors, the media, business partners and others interested in the Company to review the information we post on our website. The information on our website is not part of, and is not incorporated into, this report. Murphy Oil Corporation undertakes no duty to publicly update or revise any forward-looking statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to market risks associated with prices of crude oil, natural gas and petroleum products, foreign currency exchange rates, and interest rates. As described in [Note L](#), Murphy periodically makes use of derivative financial and commodity instruments to manage risks associated with existing or anticipated transactions.

Commodity Price Risk

There were commodity-based derivative contracts in place as of June 30, 2025, covering certain future U.S. natural gas sales volumes in 2025. A 10% increase in the respective benchmark price of these commodities would have increased the net payable associated with these derivative contracts by approximately \$4.1 million, while a 10% decrease would have decreased the recorded net payable by a similar amount, resulting in a receivable.

Foreign Exchange Risk

There were no derivative foreign exchange contracts in place at June 30, 2025.

Interest Rate Risk

The Company's senior unsecured RCF provides for variable interest rate borrowings. As of June 30, 2025, we had \$200.0 million of outstanding borrowings under the RCF. Assuming no change in the amount of borrowings outstanding under the RCF, a 10% increase in the average interest rate would have increased our quarterly interest expense by approximately \$0.3 million. Actual results may vary due to changes in the amount of variable rate debt outstanding.

ITEM 4. CONTROLS AND PROCEDURES

Under the direction of its principal executive officer and principal financial officer, controls and procedures have been established by the Company to ensure that material information relating to the Company and its consolidated subsidiaries is made known to the officers who certify the Company's financial reports and to other members of senior management and the Board of Directors.

Based on the Company's evaluation as of the end of the period covered by the filing of this Quarterly Report on Form 10-Q, the principal executive officer and principal financial officer of Murphy Oil Corporation have concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) are effective to ensure that the information required to be disclosed by Murphy Oil Corporation in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms.

During the quarter ended June 30, 2025, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Murphy and its subsidiaries are engaged in a number of legal proceedings (including litigation related to climate change), all of which Murphy considers routine and incidental to its business. Based on information currently available to the Company, the ultimate resolution of matters referred to in this item is not expected to have a material adverse effect on the Company's net income, financial condition or liquidity in a future period.

ITEM 1A. RISK FACTORS

The Company's operations in the oil and natural gas business naturally lead to various risks and uncertainties. These risk factors are discussed in "Item 1A. Risk Factors" in the Company's 2024 Form 10-K filed on February 27, 2025. The Company has not identified any additional risk factors not previously disclosed in its 2024 Form 10-K report.

ITEM 5. OTHER INFORMATION

During the three months ended June 30, 2025, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

The following is an index of exhibits that are hereby filed as indicated by asterisk (*), that are considered furnished rather than filed as indicated by double asterisks (**), or that are incorporated by reference. Exhibits other than those listed have been omitted since they are either not required or not applicable.

Exhibit No.	Description
3.1	Certificate of Incorporation of Murphy Oil Corporation, as amended effective May 11, 2005 (incorporated by reference to Exhibit 3.1 to Form 10-K of Registrant filed on February 28, 2011)
3.2	By-Laws of Murphy Oil Corporation, as amended effective August 5, 2020 (incorporated by reference to Exhibit 3.2 to Form 10-Q of Registrant filed on August 6, 2020)
10.34	Murphy Oil Corporation 2025 Long-Term Incentive Plan (incorporated by reference to Exhibit A to definitive proxy statement on Schedule 14A of Registrant filed on March 28, 2025)
*31.1	Certification required by Rule 13a-14(a) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*31.2	Certification required by Rule 13a-14(a) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
**32.1	Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101. INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101. SCH	Inline XBRL Taxonomy Extension Schema Document
101. CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101. DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101. LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document
101. PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

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 thereunto duly authorized.

MURPHY OIL CORPORATION
(Registrant)

By /s/ PAUL D. VAUGHAN
Paul D. Vaughan
Vice President and Controller
(Chief Accounting Officer and Duly Authorized Officer)

August 6, 2025
(Date)

**CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Eric M. Hambly, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Murphy Oil Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions)
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 6, 2025

/s/ Eric M. Hambly

Eric M. Hambly
Principal Executive Officer

**CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Thomas J. Mireles, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Murphy Oil Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 6, 2025

/s/ Thomas J. Mireles

Thomas J. Mireles
Principal Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of Murphy Oil Corporation (the "Company") on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Eric M. Hambly and Thomas J. Mireles, Principal Executive Officer and Principal Financial Officer, respectively, of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to our knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 6, 2025

/s/ Eric M. Hambly

Eric M. Hambly
Principal Executive Officer

/s/ Thomas J. Mireles

Thomas J. Mireles
Principal Financial Officer