Murphy Acquires Additional Deepwater Acreage Offshore Malaysia

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EL DORADO, Ark.--(BUSINESS WIRE)--Jan. 16, 2003--Murphy Oil Corporation (NYSE: MUR) announces that its wholly-owned subsidiary, Murphy Sabah Oil Co., Ltd, has signed two new Production Sharing Contracts covering Block L and Block M, offshore Malaysia. Murphy Sabah is the operator of both blocks and has a 60% working interest in Block L and a 70% working interest in adjoining Block M. PETRONAS Carigali Sdn. Bhd., the exploration and production arm of state-owned PETRONAS, holds the remaining interest. The blocks lie in water depths ranging from 2,700 feet to 9,300 feet and each covers approximately

- 1.5 million acres. Blocks L and M lie on trend with Murphy and PETRONAS Carigali's existing deepwater Block K, where last year a discovery of a potentially significant oil field at Kikeh was announced.

Claiborne P. Deming, Murphy's President and Chief Executive Officer, commented, "We are extremely pleased to sign for these two new blocks with our partner PETRONAS Carigali. The blocks lie on trend with our Kikeh discovery and have excellent follow-on potential. Murphy has built a substantial presence in Malaysia over the last four years. We now operate eight exploration blocks and have made significant oil discoveries in the shallow and deep waters. We have a very impressive prospect inventory and have established Malaysia as a core area for us."

The forward-looking statements reflected in this release are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. No assurance can be given that the results discussed herein will be attained and certain important factors that may cause actual results to differ materially are contained in Murphy's January 15, 1997 Form 8-K report on file with the U.S. Securities and Exchange Commission.

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