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

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**FORM 8-K**

**CURRENT REPORT**

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

**Date of report (Date of earliest event reported): February 5, 2008**

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**MURPHY OIL CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation)

**1-8590**  
(Commission File Number)

**71-0361522**  
(IRS Employer Identification No.)

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

**71731-7000**  
(Zip Code)

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

**Not applicable**

(Former Name or Former Address, if Changed Since Last Report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01. Entry into a Material Definitive Agreement**

On February 5, 2008, the Executive Compensation Committee (Committee) of the Board of Directors of Murphy Oil Corporation increased the target bonuses for three officers from 75% of their respective base salaries to 85% of their respective base salaries. These officers included the Company's Executive Vice President and General Counsel, Executive Vice President and President of Murphy Oil USA, Inc., and Executive Vice President and President of Murphy Exploration & Production Company.

Also on this date the Committee made a special award to the Executive Vice President and President of Murphy Exploration & Production Company equal to 60,000 Restricted Stock Units of the Company which will vest without restriction on February 5, 2011 if the officer is still employed by the Company. Under Internal Revenue Code Section 162(m), this award is not deductible by the Company.

**Signature**

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

MURPHY OIL CORPORATION

By: /s/ John W. Eckart  
John W. Eckart  
Vice President and Controller

Date: February 11, 2008