

# INVESTOR UPDATE

MARCH 1, 2020

ROGER W. JENKINS

PRESIDENT & CHIEF EXECUTIVE OFFICER

# Cautionary Statement & Investor Relations Contacts

**Cautionary Note to U.S. Investors** – The United States Securities and Exchange Commission (SEC) requires oil and natural gas companies, in their filings with the SEC, to disclose proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We may use certain terms in this presentation, such as “resource”, “gross resource”, “recoverable resource”, “net risked PMEAN resource”, “recoverable oil”, “resource base”, “EUR” or “estimated ultimate recovery” and similar terms that the SEC’s rules prohibit us from including in filings with the SEC. The SEC permits the optional disclosure of probable and possible reserves in our filings with the SEC. Investors are urged to consider closely the disclosures and risk factors in our most recent Annual Report on Form 10-K filed with the SEC 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.

**Forward-Looking Statements** – This presentation 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 or results, are subject to inherent risks and uncertainties. Factors that could cause one or more of these future events or results not to occur as implied by any forward-looking statement include, but are not limited to: 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; natural hazards impacting our operations; 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; and adverse developments in the U.S. or global capital markets, credit markets or economies in general. 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 “Risk Factors” in our most recent Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (SEC) 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>. Murphy Oil Corporation undertakes no duty to publicly update or revise any forward-looking statements.

**Non-GAAP Financial Measures** – This presentation refers to certain forward looking non-GAAP measures such as future “Free Cash Flow” and future “EBITDA”. Definitions of these measures are included in the appendix.

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# Agenda



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OFFSHORE PORTFOLIO UPDATE

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EXPLORATION UPDATE

05

LOOKING AHEAD



# Murphy Overview

## A History of Excellence

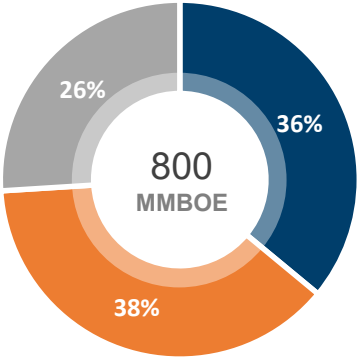
- Long corporate history, IPO 1956
- Global offshore and North American onshore portfolio
- Oil-weighted assets drive high margins
- Exploration renaissance in focus areas
- Consistent cash flows from long-term offshore assets
- Growing unconventional assets in North American onshore
- Low leverage with appropriate liquidity and strong balance sheet
- History of shareholder-focused dividend policy



# Murphy at a Glance

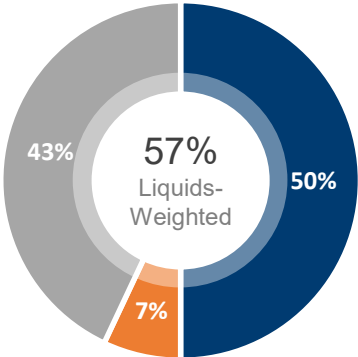
2019 Proved Reserves

By Area



■ US Onshore ■ Canada Onshore ■ NA Offshore

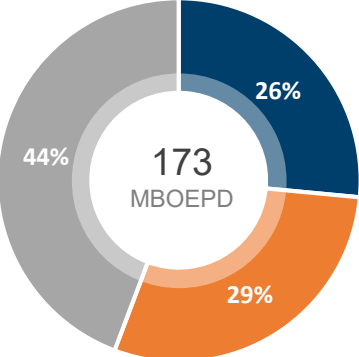
By Product Mix



■ Crude Oil ■ NGL ■ Natural Gas

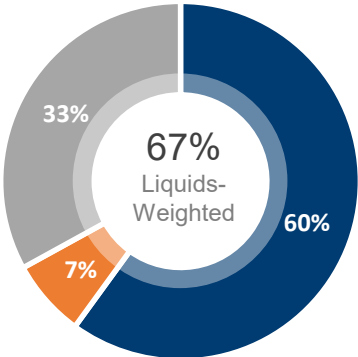
FY 2019 Production

By Area

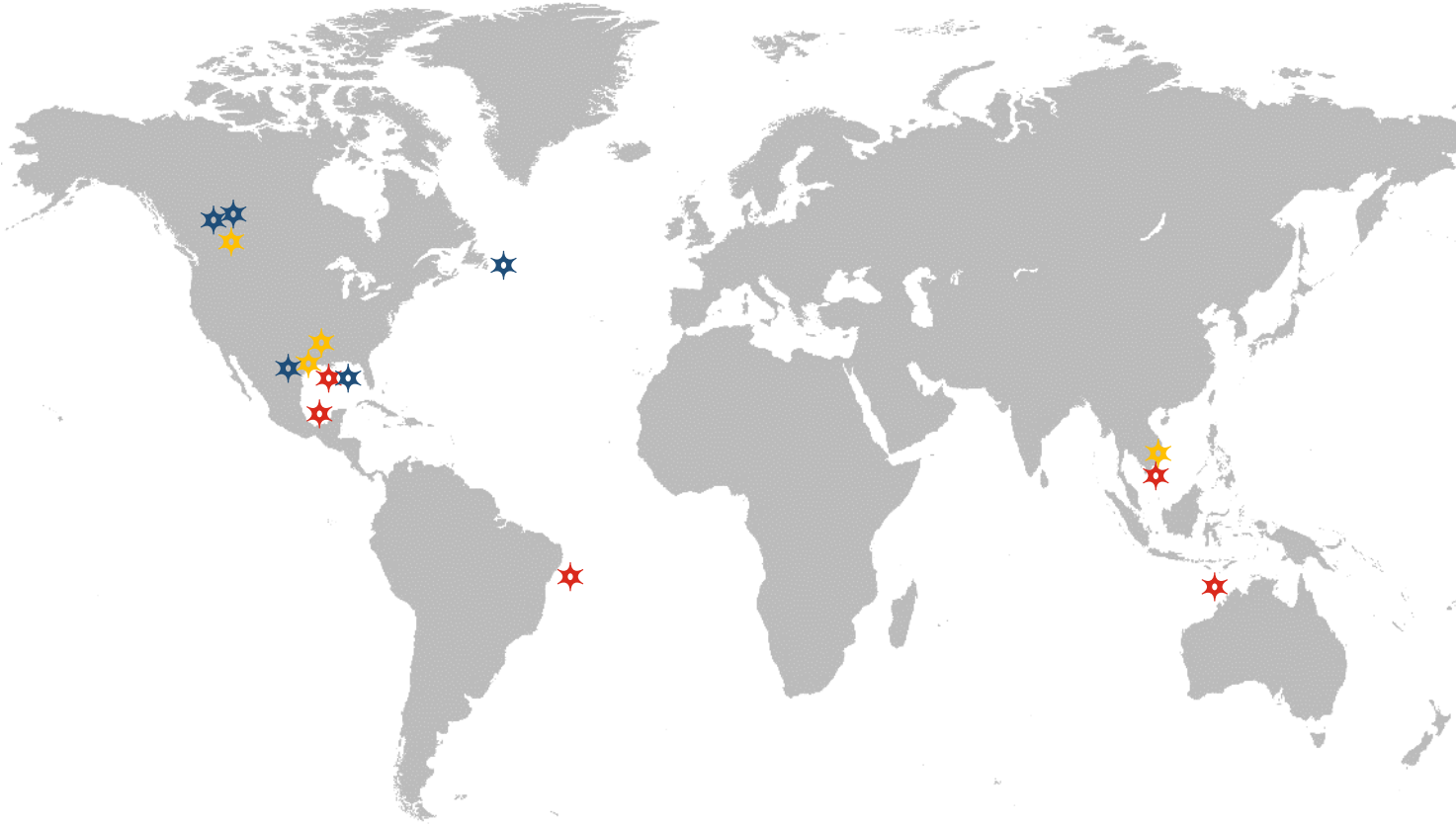


■ US Onshore ■ Canada Onshore ■ NA Offshore

By Product Mix



■ Crude Oil ■ NGL ■ Natural Gas



★ Office ★ Exploration ★ Production

*Note: Production volumes, sales volumes, reserves and financial amounts exclude noncontrolling interest, unless otherwise stated  
Reserves are based on SEC year-end 2019 third-party audited proved reserves*

# Accomplished Our 2019 Plan



## PRODUCING

Oil-Weighted  
Assets

Produced 173 MBOEPD in  
FY 2019, ~60% oil

Increased Gulf of Mexico  
production >200% from  
FY 2018

Increased Eagle Ford Shale  
production >23% from  
4Q 2018

Accelerated oil-weighted growth  
in long-term plan



## GENERATING

High Margin  
Realizations

94% oil volumes sold at  
premium to WTI in FY 2019

Adjusted EBITDA \$404 MM  
4Q 2019

\$23 adj. EBITDA / BOE  
4Q 2019

Generated \$145 MM of free  
cash in FY 2019



## INCREASING

Capital Returns  
to Shareholders

Returned >\$660 MM to  
shareholders in FY 2019

Completed \$500 MM  
share buyback program

Delivered 4% dividend yield

Benefitted shareholders within  
cash flow including sale  
proceeds



## TRANSFORMING

Portfolio for  
Future Value

Closed Gulf of Mexico and  
Malaysia transactions

Transformed into a top 5  
Gulf of Mexico operator  
by production

Issued Inaugural  
Sustainability Report

Added new blocks in Sergipe-  
Alagoas and Potiguar basins  
in Brazil

Drilled successful wells in Gulf  
of Mexico, offshore Mexico  
and Vietnam



## BUILDING

Profitable  
Production

Brought 91 operated wells  
online in Eagle Ford Shale

Sanctioned several Gulf of  
Mexico projects set to deliver  
sustainable FCF

Successfully completed multiple  
workovers and tiebacks in Gulf  
of Mexico on schedule

*Note: Production volumes, sales volumes, reserves and financial amounts exclude noncontrolling interest (NCI), unless otherwise stated  
Free cash generated includes NCI*

# Achieving Premium Oil-Weighted Realizations

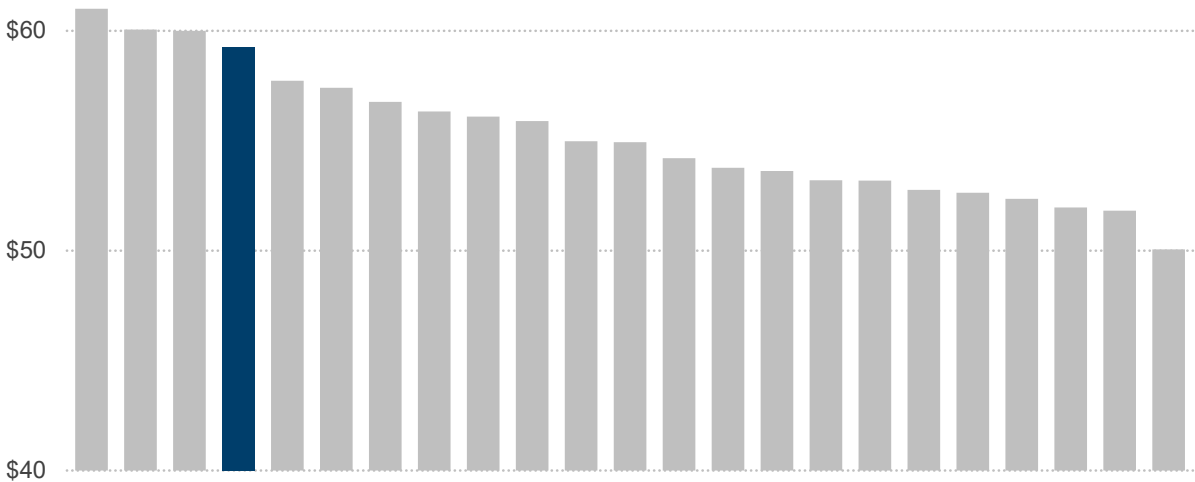


**>103,000** BBLS/Day  
SOLD FY 2019

**94** % **SOLD**  
At Premium  
to \$57.04 WTI

Eagle Ford Shale	North America Offshore
EBITDA/BOE FY 2019 FIELD-LEVEL  <b>\$32</b> /BOE	    <b>\$35</b> /BOE

Realized Oil Price 2019 \$/BBL

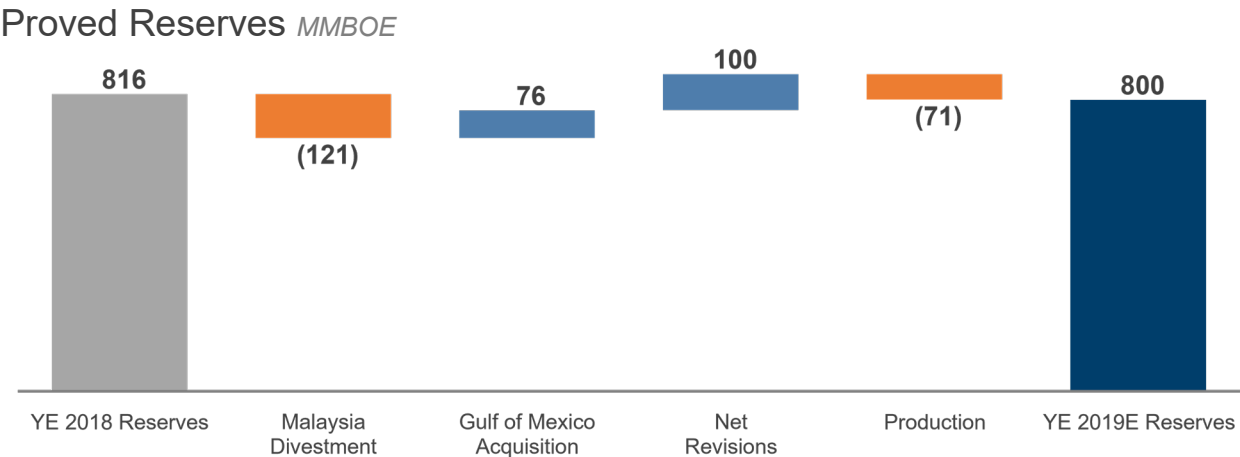
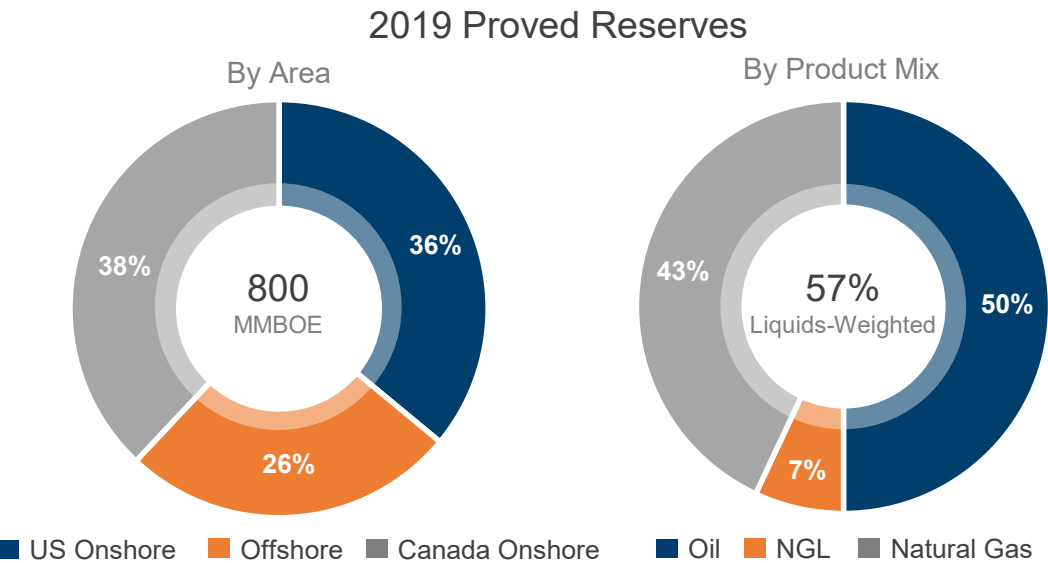


*Note: Production volumes, sales volumes, reserves and financial amounts exclude noncontrolling interest, unless otherwise stated*

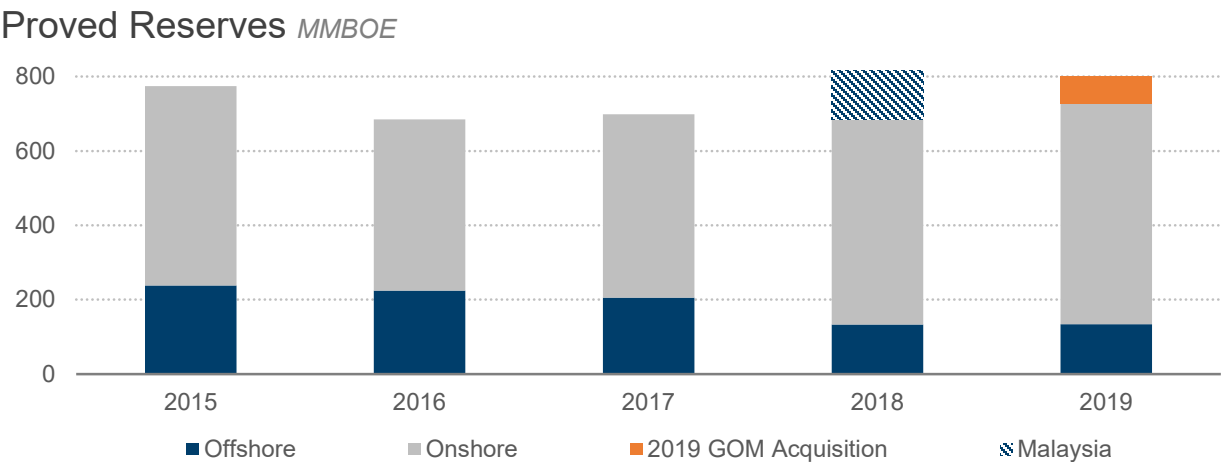
Source: FactSet Estimates at 2/28/2020  
Peer Group: APA, CHK, CLR, COP, CPE, CXO, DVN, EOG, FANG, HES, MRO, MTDR, NBL, OAS, OVV, OXY, PE, PXD, SM, WLL, WPX, XEC

# Maintaining High-Margin Reserves in 2019

- Sustaining 50% oil-weighted portfolio
- Organic reserves replacement 172%
- Increased proved developed reserves from 50% to 57% year-over-year
- 3-year average total F&D cost of \$12.95/BOE
- Reserve life index of 11.8 years



Malaysia divestment of 121 MMBOE excludes 7 MMBOE attributable to production



Note: Production volumes, sales volumes, reserves and financial amounts exclude noncontrolling interest, unless otherwise stated  
 Reserves are based on SEC year-end 2019 third-party audited proved reserves



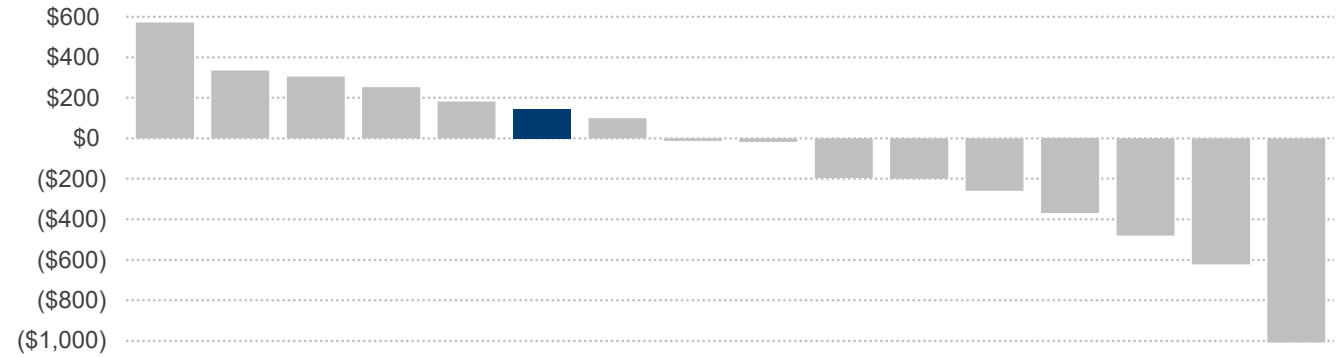
# Delivering Returns to Shareholders

## Disciplined and Flexible Strategy

- Returned >\$660 MM cash in 2019
  - \$500 MM in share repurchases
  - Repurchased ~12% of shares outstanding
- Generated free cash flow<sup>1</sup> in 2019
- No equity issuances
- Delivered industry leading dividend yield
- Continued focus on generating cash flow in excess of capital spending and dividends

<sup>1</sup> Free cash flow calculated as cash flow from operations less annual CAPEX, excluding proved property additions and including noncontrolling interest

Free Cash Flow (\$MM) 2019

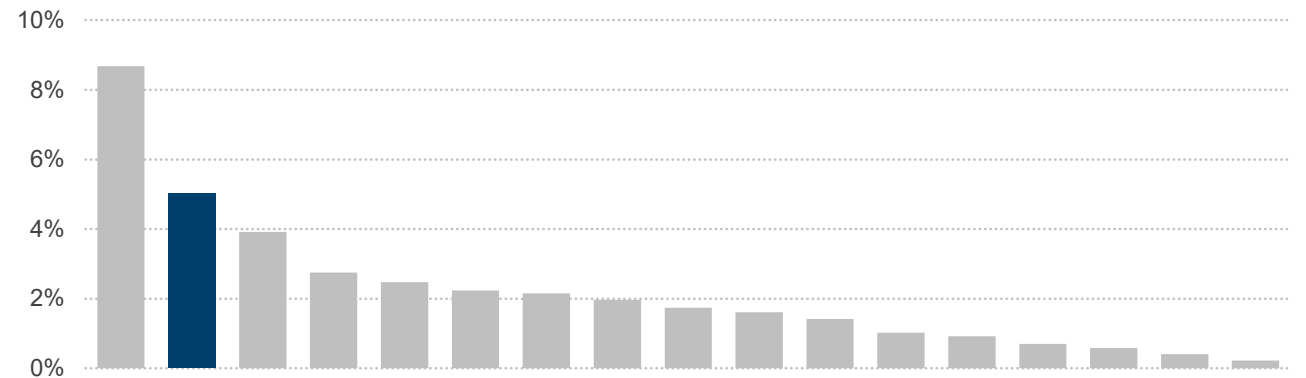


Note: FCF = FY 2019 cash flow from operations less CAPEX at 2/28/2020

Source: FactSet

Peer Group: APA, CHK, CNX, COG, DVN, ECA, HES, MRO, MTDR, NBL, RRC, SM, SWN, WLL, XEC

Dividend Yield

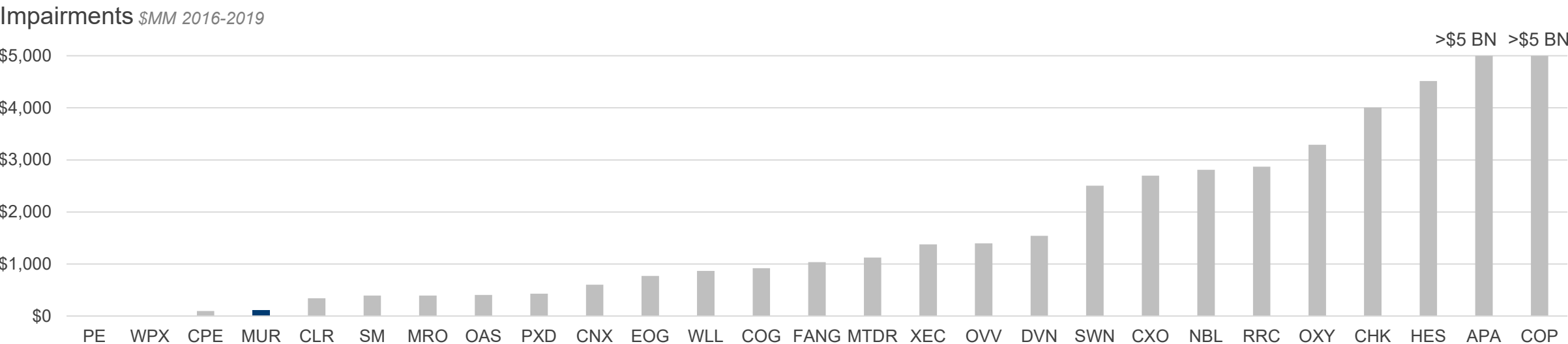
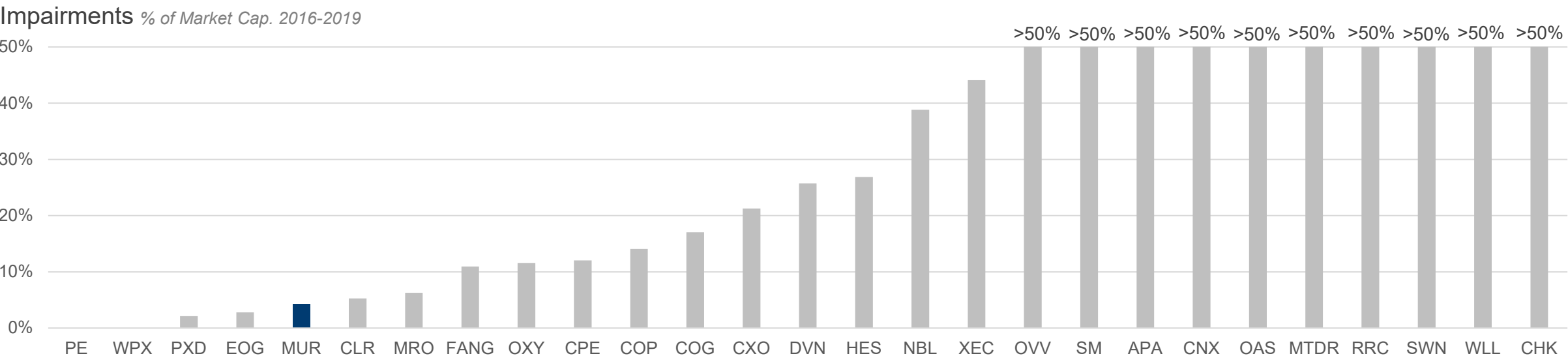


Source: FactSet at 2/27/2020

Peer Group: APA, CHK, CLR, COP, CPE, CXO, DVN, EOG, FANG, HES, MRO, MTDR, NBL, OAS, OVV, OXY, PE, PXD, SM, WLL, WPX, XEC

Note: No dividend paid by CHK, CPE, MTDR, OAS, WLL, WPX

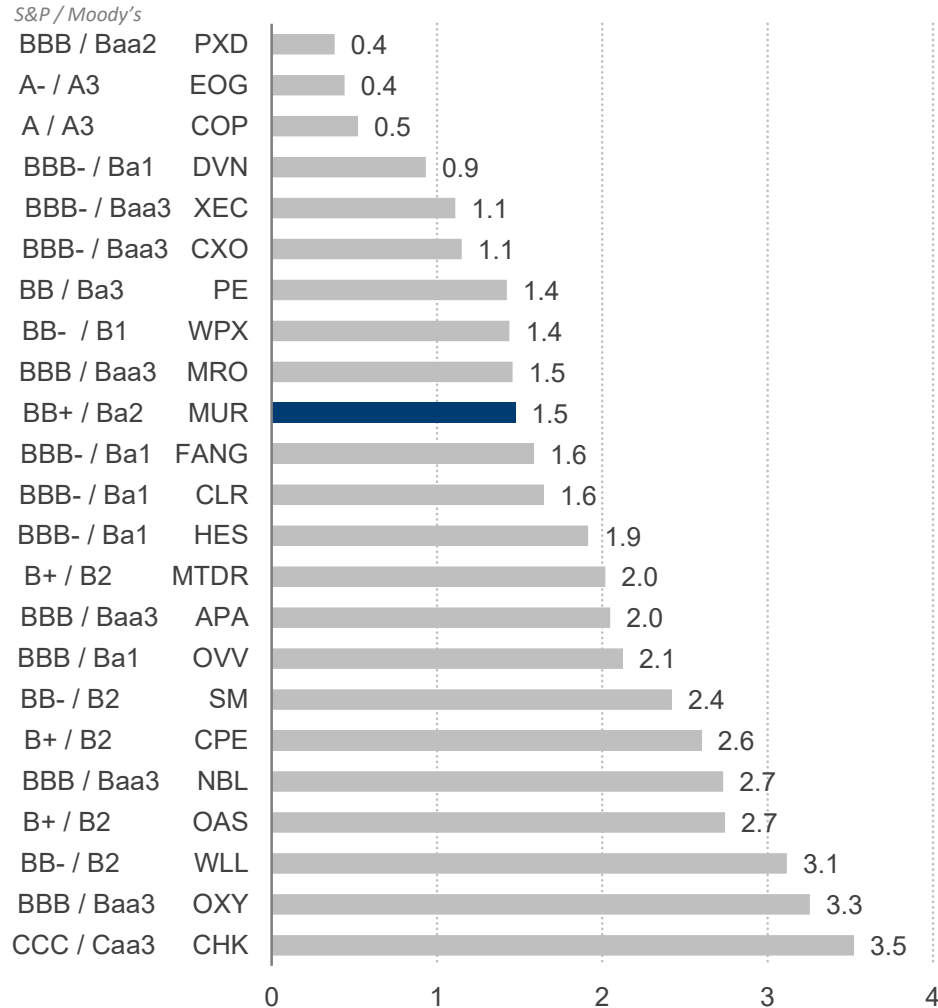
# Preserving Asset Value Through Commodity Price Cycles



Source: FactSet, company filings as of 2/28/2020

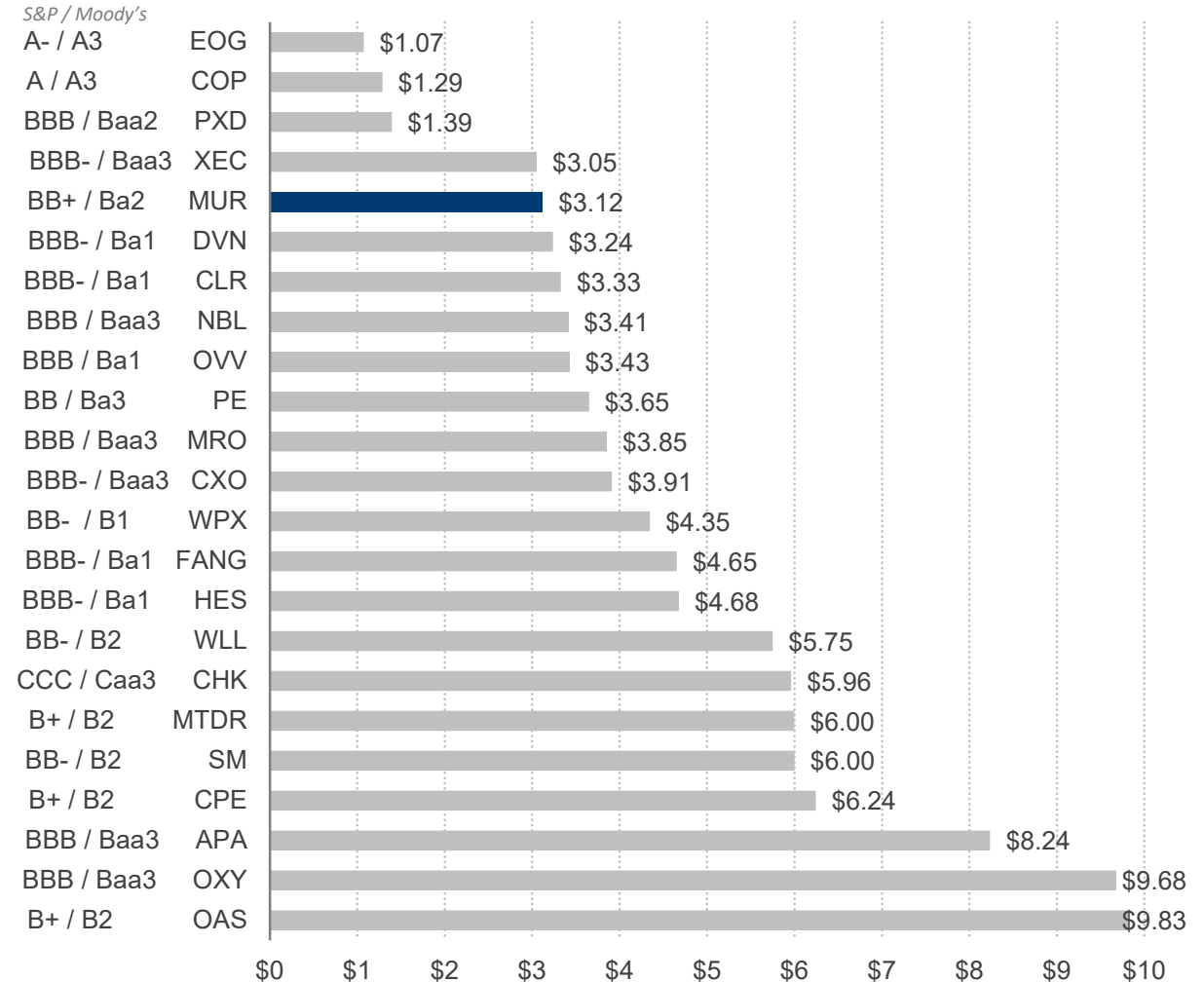
# Targeting Investment Grade Credit Metrics

Net Debt / EBITDAX 4Q Annualized



Source: FactSet, company filings as of 2/28/2020

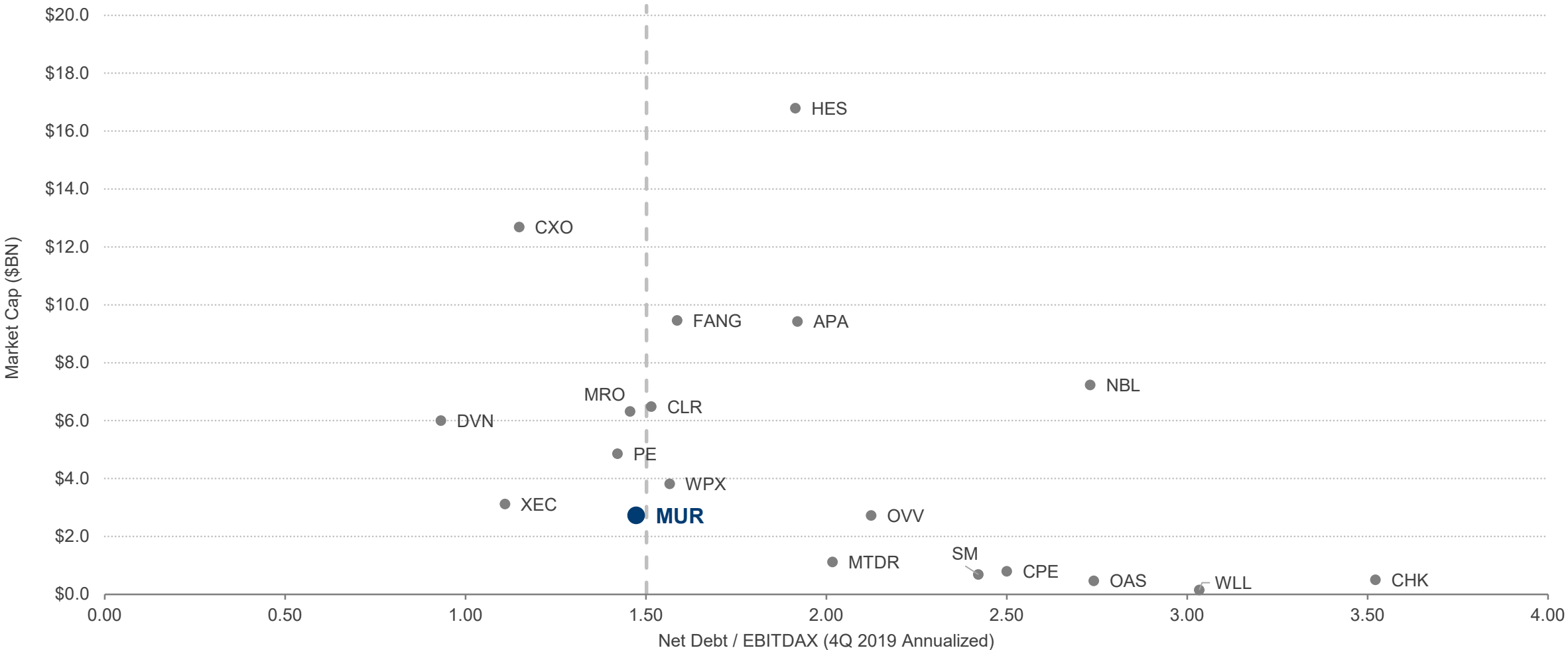
Net Debt / Proved Reserves \$/BOE



Source: FactSet, company filings as of 2/28/2020; based on FY 2019 proved reserves



# Aligning with Investment Grade E&P Metrics



Source: FactSet, company filings as of 2/27/2020

# Focusing on Balance Sheet Strength

## Maintained Strong Cash Position Through Extensive Portfolio Transformation

- Completed >\$2 BN in acquisitions without increasing debt or issuing equity
- Zero balance on credit facility at year-end 2019
- No near-term debt maturities

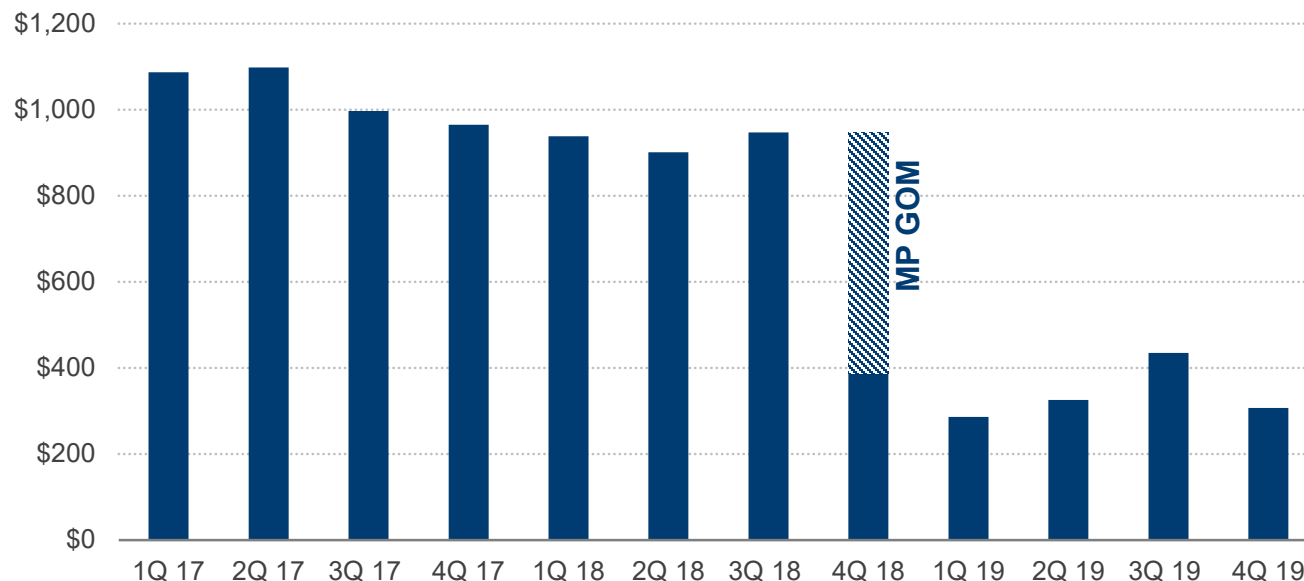
## Returned >\$660 MM to Shareholders in 2019

- Executed \$500 MM in share buybacks
- Delivering industry-leading dividend yield

## Targeting Investment Grade Metrics

- Net debt / annualized adjusted EBITDAX of 1.5x at 4Q 2019

Historical Cash Balance \$MM



# Effective Governance Supports Long-Term Financial Strength

## Expert and Independent Board



Long-term industry, operating and HSE expertise

Separate CEO and Chairman

12 out of 13 directors are independent

Board of Directors elected with average vote of 99% over past 5 years

## ESG Management



Health, Safety and Environmental Committee established in 1994

- Worldwide HSE policy and management system applied to every employee, contractor and partner

Safety and environmental metrics in annual incentive plan performance since 2008

Climate change focus

- Emissions forecasting in long-term planning improves full-cycle asset management
- Developed guiding principles for climate change

↑ 75%

ISS Governance Score  
vs Peer Average





# Mitigating Risk Through Sustainable Environmental Operations

## Safe Operations



0.36 average TRIR over past 5 years (vs 4-year average of 0.38 for US E&P companies\*)

Eagle Ford Shale well work 5.5 years lost time incident free

Gulf of Mexico 7.5 years lost time incident free

## Environmental Management



One IOGP\*\* recordable spill in 2019, equaling rate of 1.2 BBLS per MMBOE

Gulf of Mexico IOGP spill free since 2014

Recycle majority of produced water in Tupper Montney

## GHG Emissions Reduction



50% reduction in GHG emissions anticipated from 2018 – 2020

Potential for long-term reductions with natural gas-fueled frac pumps in NA Onshore



Proud member of

THE ENVIRONMENTAL PARTNERSHIP

***Internal targets for incident rate, spill rate and emissions drive continual improvement***

\* Company reported data as of FY 2018, sourced from Bloomberg

\*\* IOGP – International Association of Oil & Gas Producers

# Onshore Portfolio Update



# Concentrated Onshore Assets with Multi-Year Inventories

## Oil-Weighted Platform Across North America

**Kaybob Duvernay**  
12 MBOEPD at FY 2019, 51% oil, 61% liquids  
~80 total producing wells online

**Eagle Ford Shale**  
45 MBOEPD FY 2019, 76% oil, 89% liquids  
~1,030 total producing wells online

Well-Positioned  
for Natural Gas

**Tupper Montney**  
243 MMCFD FY 2019  
~250 total producing wells online



# Significant Running Room in the Eagle Ford Shale

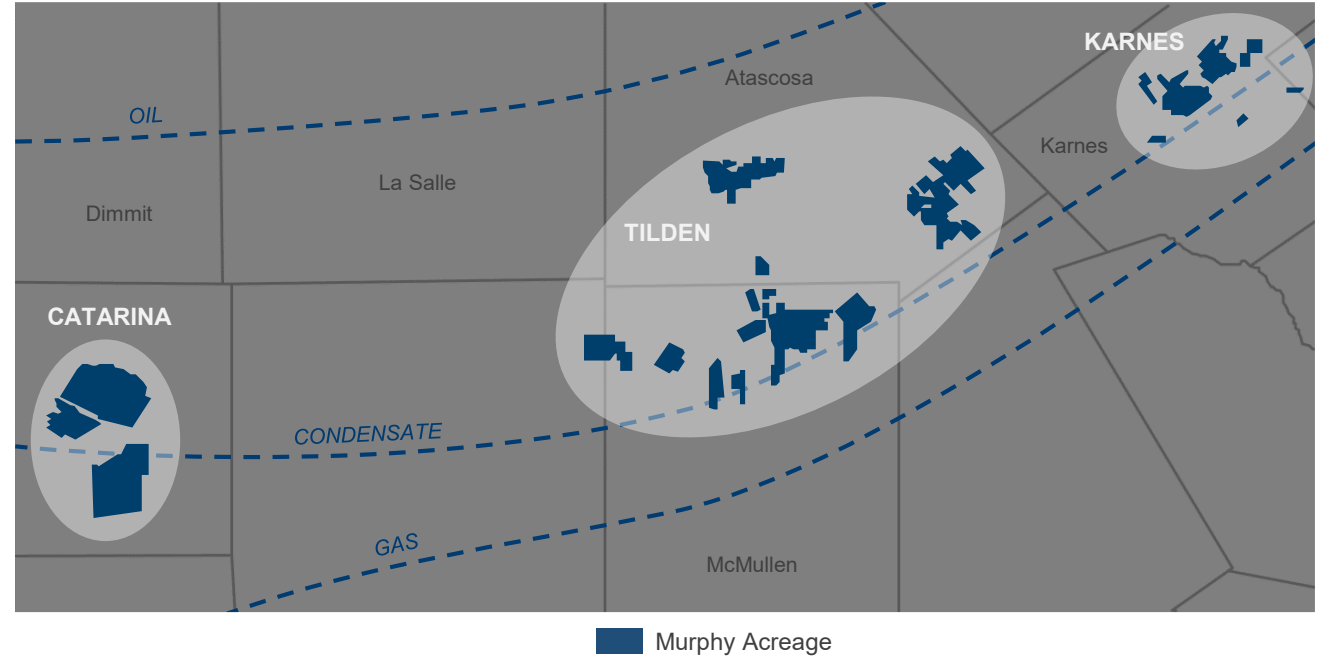
## Substantial Development Across ~125,000 Net Acres

- >500 MMBOE total resource potential
- Conservative inter-well spacing, type curves account for parent / child relationship
- Completion designs optimized by pad and well
- Long-life asset at low end of cost curve

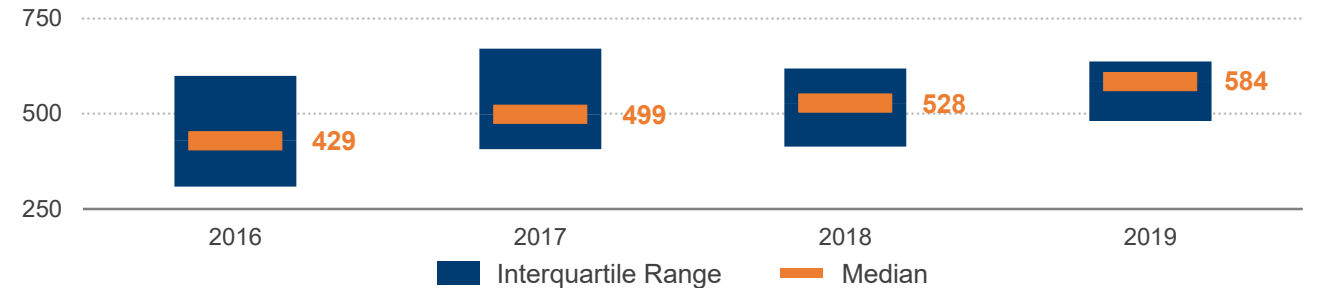
Area	Net Acres	Reservoir	Inter-Well Spacing (ft)	Gross Remaining Wells*
Karnes	10,918	Lower EFS	300	99
		Upper EFS	700	155
		Austin Chalk	700	102
Tilden	64,737	Lower EFS	500	354
		Upper EFS	500	140
		Austin Chalk	600	100
Catarina	47,653	Lower EFS	450	272
		Upper EFS	600	349
		Austin Chalk	800	149
<b>Total</b>	<b>123,308</b>			<b>1,720</b>

\*As of December 31, 2019

## Eagle Ford Shale Acreage



## EUR per Well MBOE by Year



Note: Interquartile range shows difference between 75<sup>th</sup> and 25<sup>th</sup> percentile of well EURs

# Eagle Ford Shale

FY 2020 and 1Q 2020 Plan

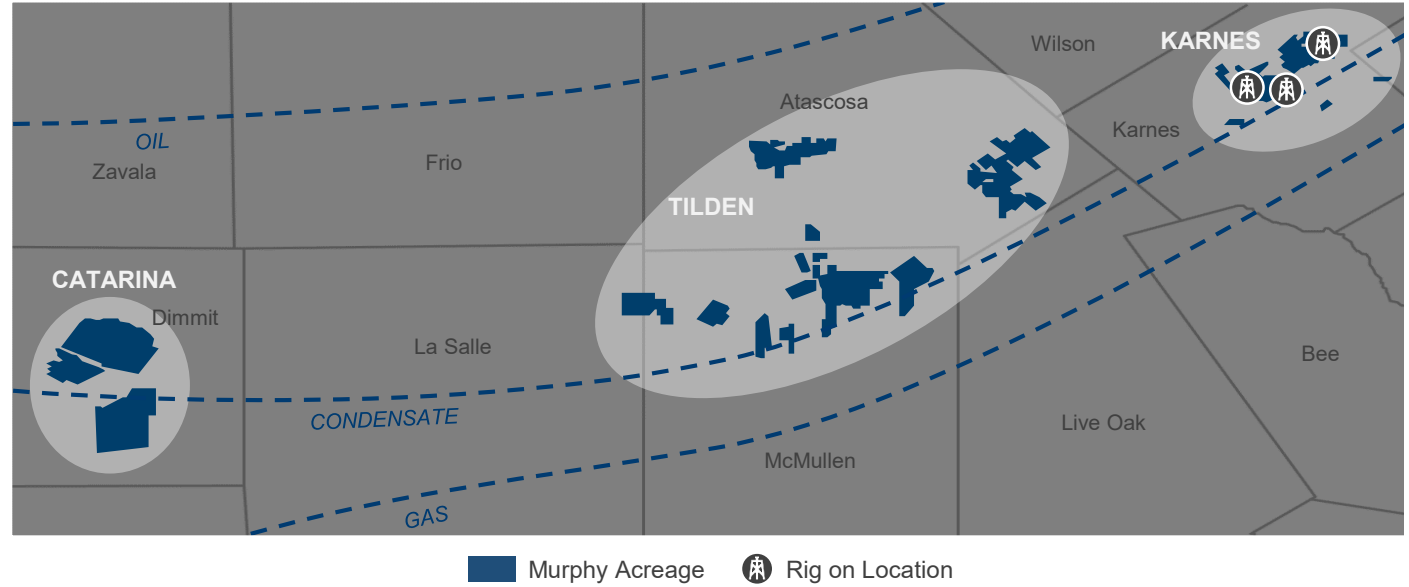
## 2020 Capital Budget \$680 MM

- 97 operated wells
- 59 non-operated wells online

## 1Q 2020 Plan

- 14 wells online
  - 4 Karnes – 2 Lower EFS, 2 Upper EFS
  - 10 Catarina – 8 Lower EFS, 2 Upper EFS

Eagle Ford Shale Acreage



2020	CATARINA		TILDEN		KARNES		TOTAL
	Operated	Non-Op.	Operated	Non-Op.	Operated	Non-Op.	
1Q	10				4		14
2Q				8	28	7	43
3Q	35		2			1	38
4Q			4		14	43	61
	45		6	8	46	51	156

Note: EFS = Eagle Ford Shale

Note: Non-op well cadence subject to change per operator plans  
Average 24% WI for Eagle Ford Shale non-operated wells

# Eagle Ford Shale

Growing Oil-Weighted Production in Catarina

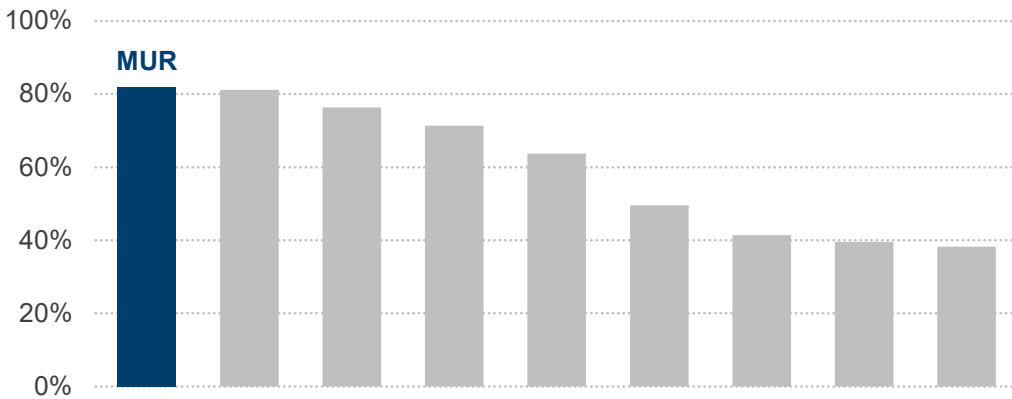
## Undeveloped Acreage Relative to Peers

- Over 250 Lower Eagle Ford Shale locations remaining
- Murphy wells account for <7% of drilled locations
- ~75% of production is crude oil

## Lowest Drilling Costs Across Acreage

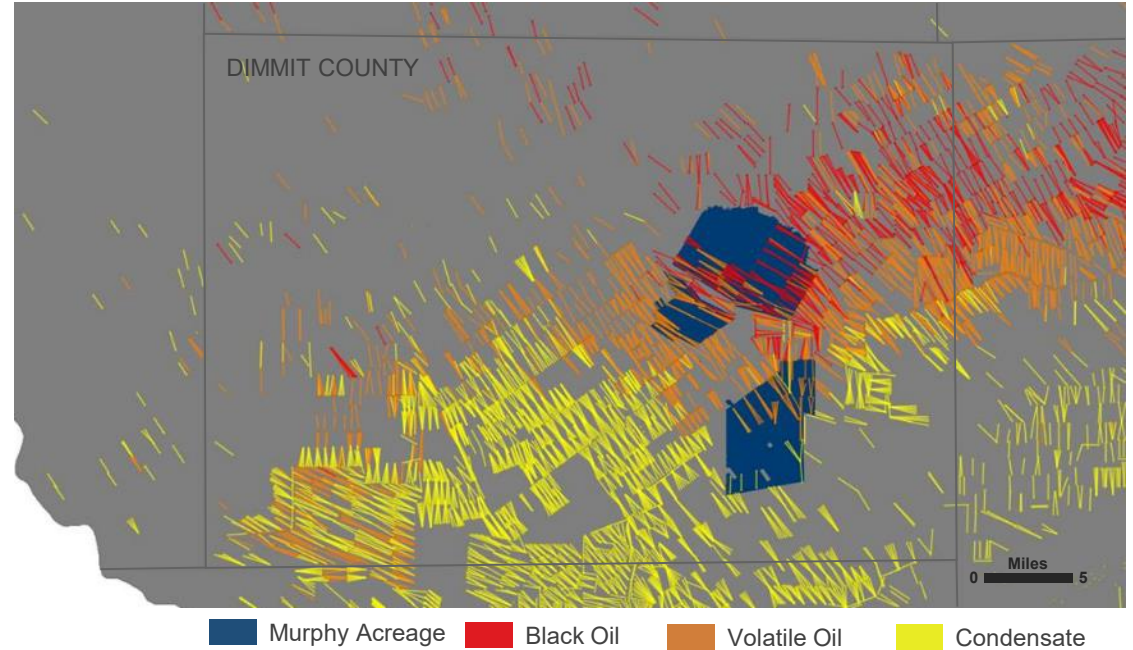
- <\$100 / ft average over last 3 years
- <\$1.5 MM / well average over last 3 years

Catarina 6-Month Average Well Liquids Content %

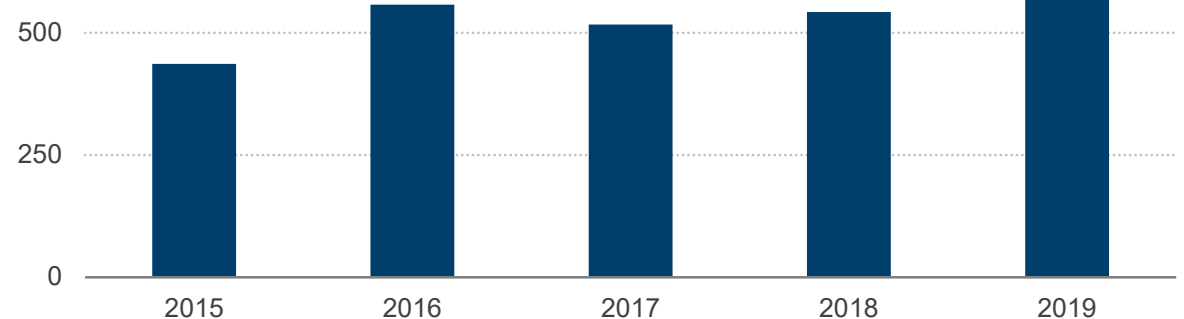


Average liquids content for initial 180 days of production  
Source: IHS Markit  
Peer Group: CHK, CPE, EP, NBL, OVV, OXY, SM, SN

Catarina Acreage



Catarina EUR per Well *Median MBOE by Year*



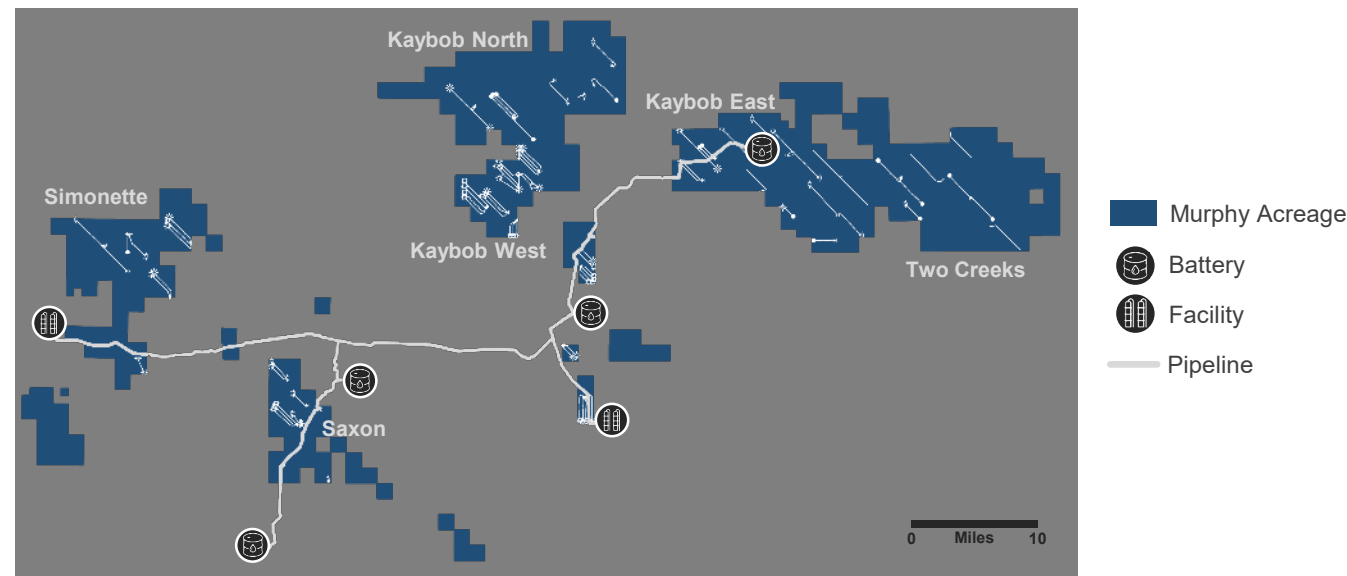
### Oil-Weighted Production from Low Cost Assets

- Approaching completion of retention drilling
- Optimizing development plan and lateral lengths
- Continuing outperformance with high-rate wells
- Achieving <\$6.5 MM per well drilling and completions costs
  - 10% improvement in drilling pace YoY

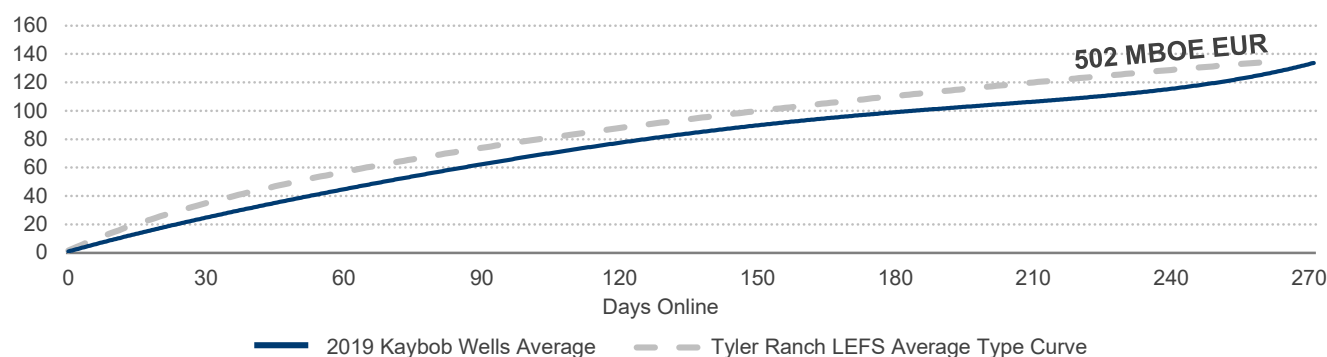
Area	Net Acres	Inter-Well Spacing (ft)	Remaining Wells
Two Creeks	34,336	984	137
Kaybob East	36,400	984	158
Kaybob West	25,760	984	106
Kaybob North	31,360	984	135
Simonette	29,715	984	115
Saxon	12,746	984	55
<b>Total</b>	<b>170,317</b>		<b>706</b>

Note: EFS = Eagle Ford Shale

Kaybob Duvernay Acreage



2019 Kaybob New Well Performance vs Eagle Ford Shale – Tilden Lower EFS Cum MBOE





# Kaybob Duvernay

FY 2020 and 1Q 2020 Plan

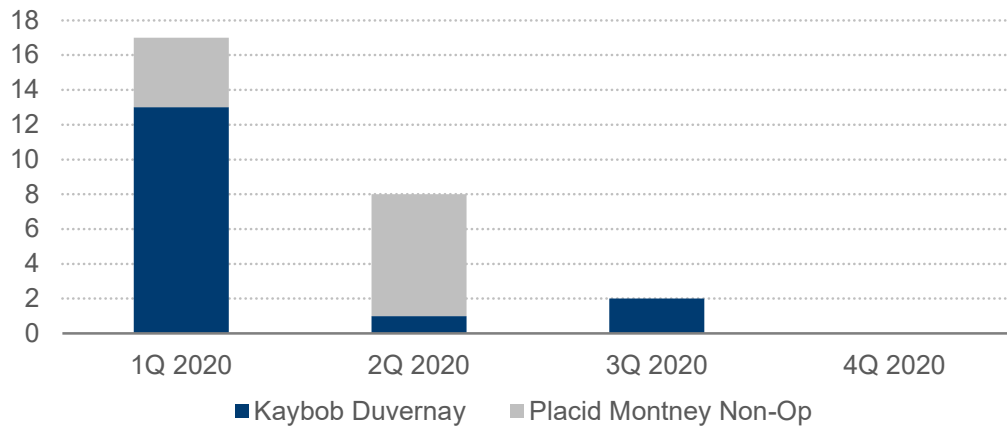
## 2020 Capital Budget \$125 MM

- 16 operated wells online
- Carry fulfilled in 1Q 2020

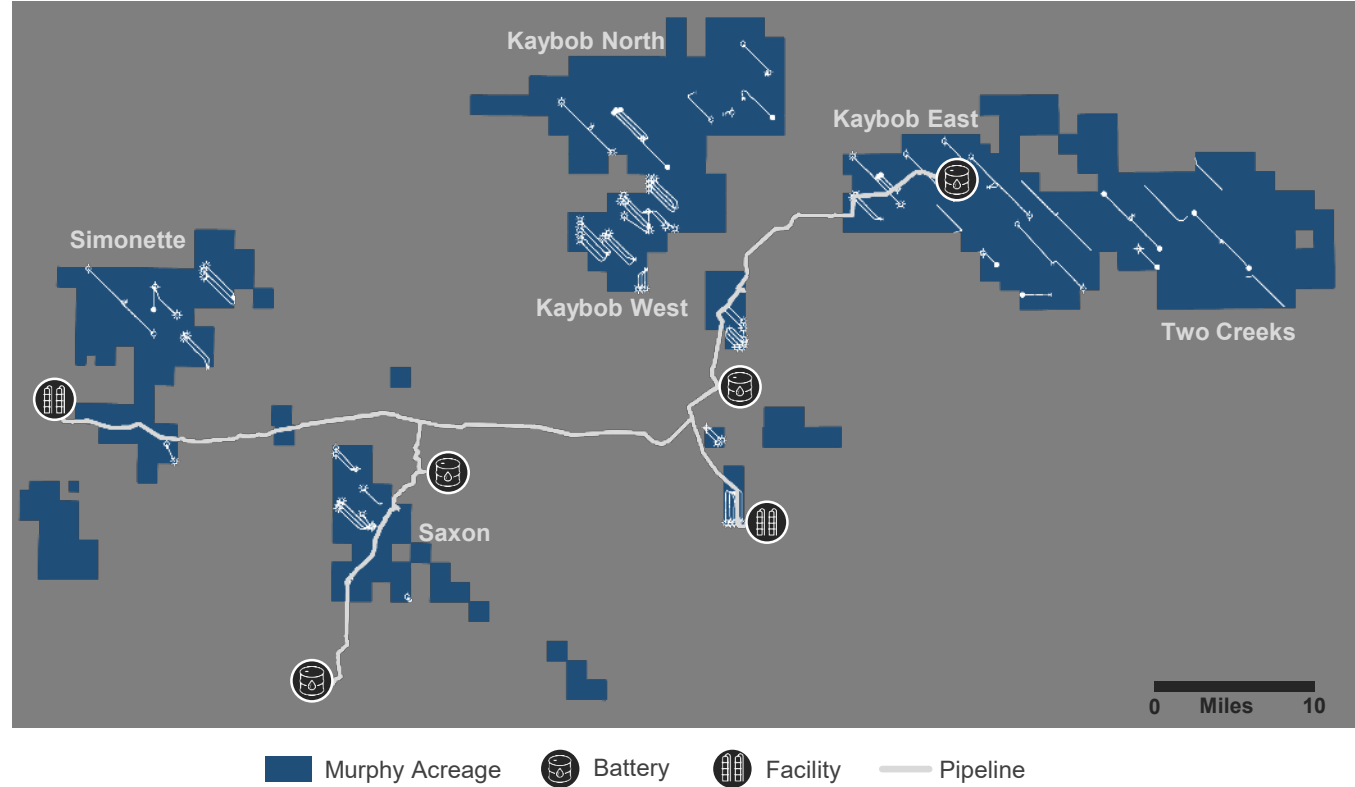
## 1Q 2020 Plan

- 17 wells online
  - 13 operated Kaybob Duvernay wells
  - 4 non-operated Placid Montney wells

2020 Wells Online



Kaybob Duvernay Acreage



### 2020 Capital Budget \$35 MM

- 5 operated wells online
- Maintaining asset for optionality in low-carbon environment
- Achieving cash flow neutrality at ~C\$1.60/MCF

### 2020 Plan

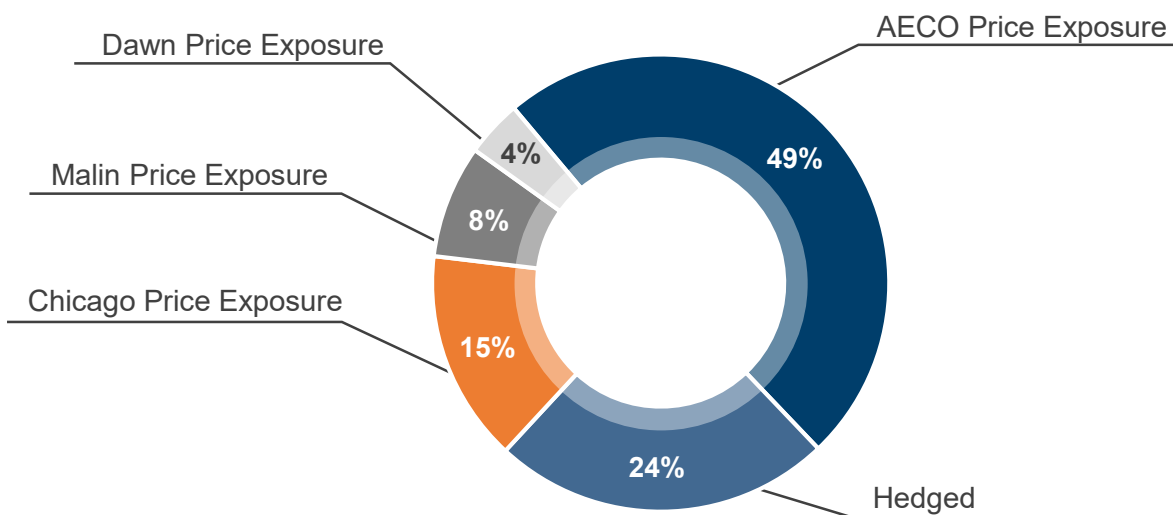
- 5 wells online 2Q 2020

### Successful AECO Price Mitigation

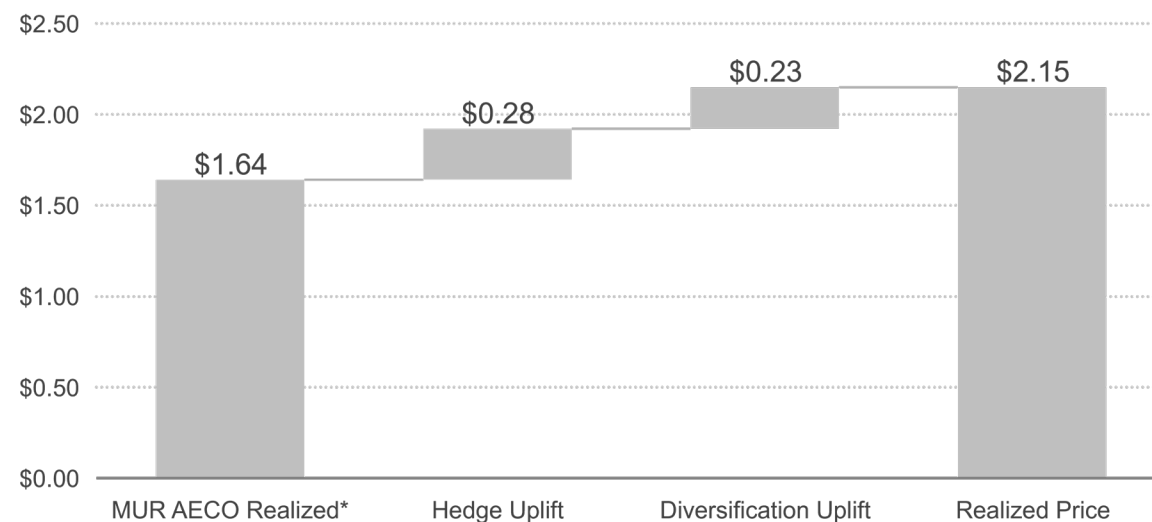
- Realized FY19 C\$2.15/MCF\* vs AECO realized average of C\$1.64/MCF

\* C\$0.29 transportation cost to AECO not subtracted

Mitigating AECO Exposure  
FY 2019 Tupper Montney Natural Gas Sales



Tupper Montney Natural Gas Realizations FY 2019 \$CAD/MCF



\* C\$0.29 of transportation cost not subtracted



An aerial photograph of an offshore oil platform and a supply vessel. The platform is a complex structure with multiple levels, yellow and blue storage tanks, and several large cranes. A white helipad with a black 'H' is visible on the platform's deck. A supply vessel, named 'JEAN PIERRE LAB', is positioned alongside the platform. The vessel has a yellow deck and a black hull. The background is a deep blue ocean.

# Offshore Portfolio Update



# Gulf of Mexico

Free Cash Flow Generating Assets

**Revitalized**  
PORTFOLIO



**TOP 5** Operator  
BY PRODUCTION



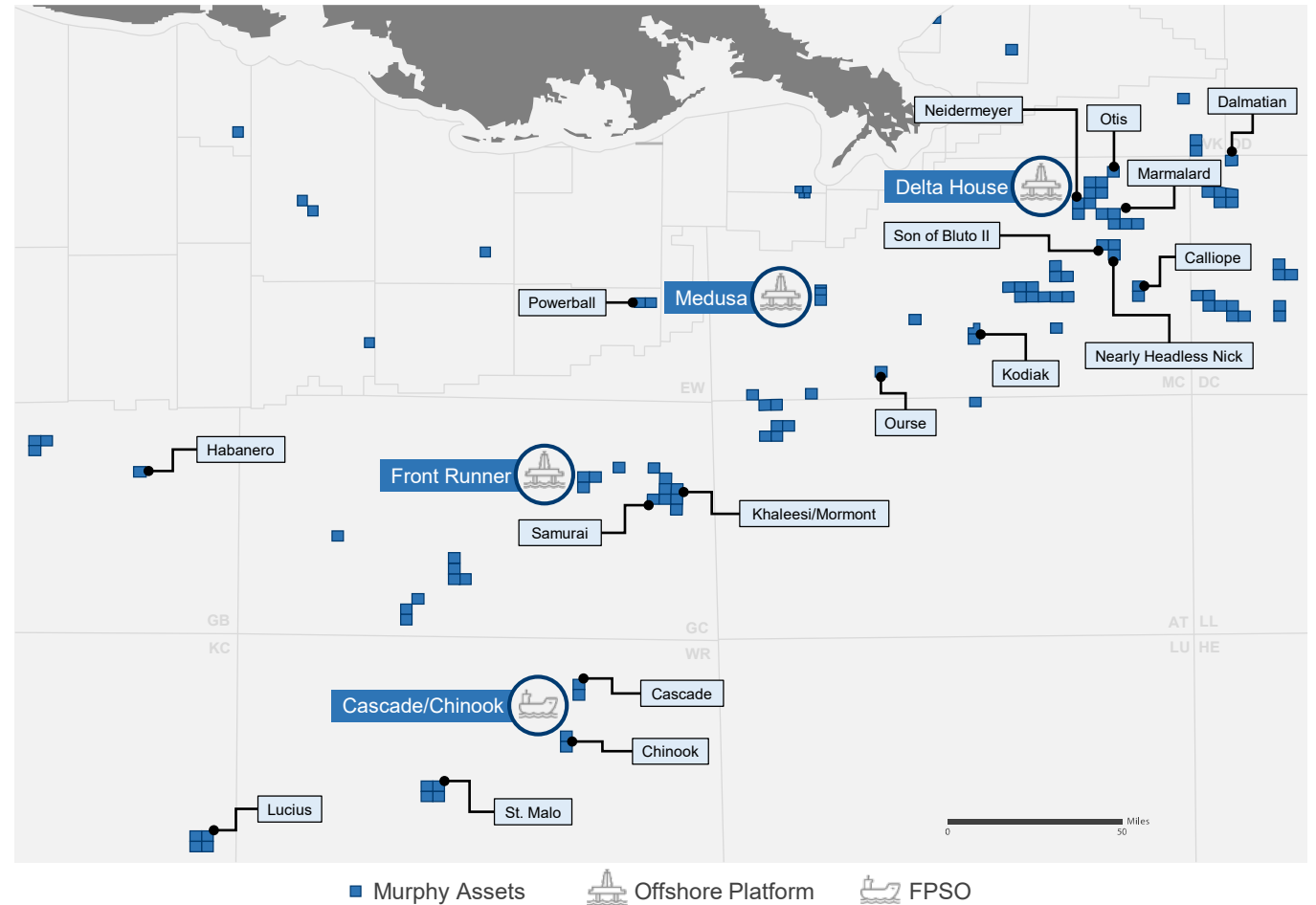
**High Margin**  
EBITDA/BOE



**Long Runway**  
FOR FURTHER DEVELOPMENT



Gulf of Mexico Assets



### Tieback & Workover Projects

- Multiple projects to sustain long-term production
- Timely execution of project schedule
- Platform and workover rigs currently on location

### Major Project Update

#### Khaleesi / Mormont

- FEED engineering work complete
- Subsea engineering and construction contracts awarded

#### Samurai

- Pre-FEED engineering work complete
- Subsea engineering and construction contracts awarded

### Tieback & Workover Projects

Project	Planning & Engineering	Drilling & Completions	Subsea Tie-In	First Oil
Front Runner rig program – 3 wells	✓	1Q –3Q 2020	n/a	2Q – 4Q 2020
Cascade #4 workover	✓	1Q 2020 <sup>1</sup>	n/a	2Q 2020
Dalmatian 134 #2 workover	✓	1Q 2020 <sup>1</sup>	n/a	2Q 2020
Calliope	Ongoing	✓	3Q 2020	4Q 2020
Ourse	Ongoing	2H 2021 <sup>2</sup>	2H 2021	4Q 2021
Son of Bluto II	Ongoing	2H 2021	2H 2021	4Q 2021

### Major Projects

Project	Planning & Engineering	Drilling & Completions	Subsea Tie-In	First Oil
Khaleesi / Mormont	Ongoing	4Q 2020 – 4Q 2021 <sup>2</sup>	2021	1H 2022
Samurai	Ongoing	4Q 2020 – 4Q 2021	2021	1H 2022
St. Malo Waterflood	Ongoing	2Q 2020 – 2Q 2021	2022	2023

<sup>1</sup> Well workover. No drilling/completions activities

<sup>2</sup> Completion only. Well previously drilled. Khaleesi / Mormont 4 of 5 wells previously drilled



# Gulf of Mexico

## Sustaining Production Through Short-Cycle Projects

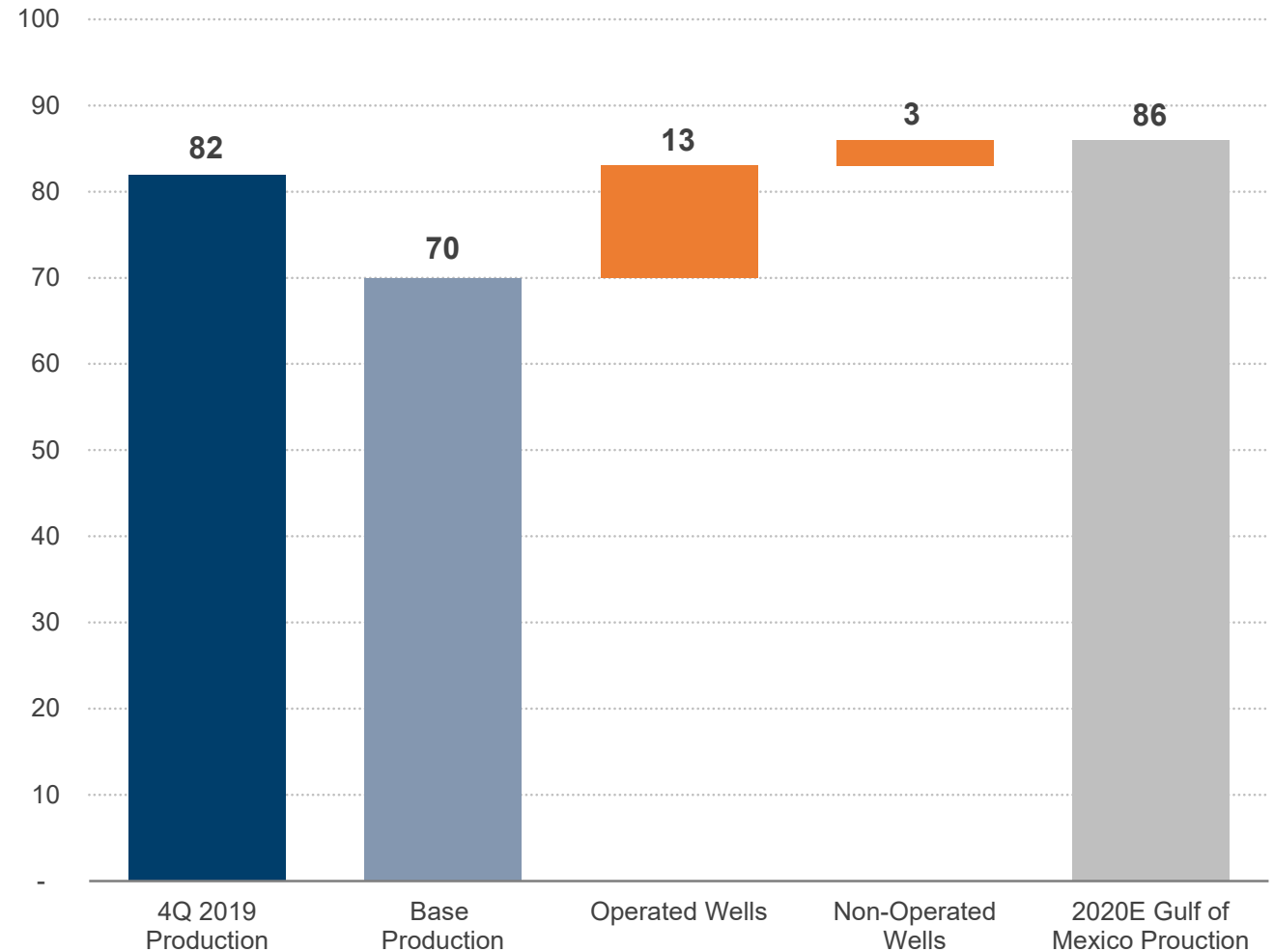
### Delivering Free Cash Flow with Efficient Capital Spending

- Producing 86 MBOEPD in 2020
- \$440 MM CAPEX in 2020
- Generating ~\$1 BN in operating cash flow

### Executing 2020 Gulf of Mexico Projects

- 6 operated wells online
  - 3 platform-rig wells
  - 2 workovers
  - 1 subsea tieback
- 5 non-operated wells online

2020 Estimated Gulf of Mexico Production *MBOEPD*



*Note: assumes WTI \$55/BBL*

*Operated wells includes Chinook 5 well online 4Q 2019*

*Production volumes and financial amounts exclude noncontrolling interest, unless otherwise stated*



# Exploration Update





# Exploration Strategy Overview

## Focused & Meaningful

- Four primary exploration areas
- 3 to 5 exploration wells per year
- ~\$100 MM/year

## Reduced Risk

- Proven oil provinces
- Targeting appropriate working interest
- Leveraging strategic partnerships

## Strategic Themes

- Consistent US Gulf of Mexico program
- Field extension and exploration in Vietnam
- Company-making potential from Brazil and Mexico
- Targeting <\$12/BBL full-cycle finding and development cost

Exploration Core Focus Areas



# 2020 Exploration Plan

Focusing on Core Growth Areas

## Targeting >500 MMBOE in Annual Program

- \$100 MM 2020 CAPEX

### Mt. Ouray, US Gulf of Mexico

- Murphy 20% WI, non-operated
- Green Canyon 767
- Expected spud 2Q 2020

### Cholula Appraisal, Offshore Mexico

- Murphy 40% WI, operator
- Targeting 3Q-4Q 2020 spud

### Batopilas Prospect, Offshore Mexico

- Murphy 40% WI, operator
- Focused on new sub-salt play
- Targeting 4Q 2020 spud

### Sergipe-Alagoas Basin, Brazil

- Murphy 20% WI, non-operated
- >1.2 BN BOE reserves discovered nearby
- Several prospects identified
- Well planning ongoing in 2020; drilling anticipated 2021



# Looking Ahead



# 2020 Plan Flexibility

Preparing Company for Near-Term Price Declines

## Disciplined Capital Allocation Strategy

- Prior capital planning provides additional future flexibility
- Able to swiftly reduce capital by ~\$55 MM without 2020 production impact
  - Delayed Gulf of Mexico development wells
  - Delay spud timing of exploration wells
  - Deferred Vietnam development payment
  - Onshore facilities capital spend reduction
  - Reduced Kaybob Duvernay costs due to efficiencies
  - Corporate IT capital reductions
- Ongoing analysis to further reduce capital below guidance at sustained low oil price
- Additional ~\$125 MM liquidity generated with closing of King's Quay transaction



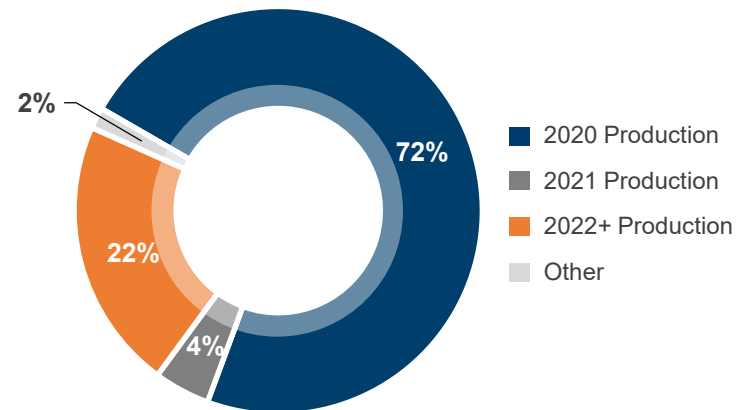
2020  
GUIDANCE

Production  
1Q 2020 **181 - 193 MBOEPD**

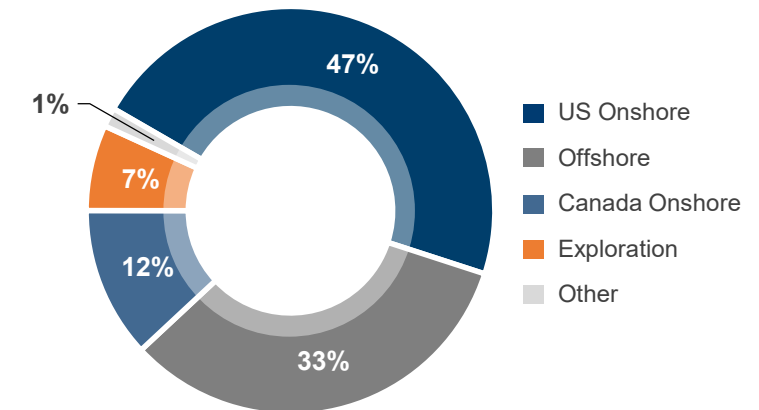
Production  
FY 2020 **190 - 202 MBOEPD**

CAPEX  
FY 2020 **\$1.4 - \$1.5 BN**

CAPEX by Production Year



2020 Total CAPEX



# Overview of Long Range Strategic Plan 2020 – 2024

Positioning Company for Long-Term Value Creation

**Generates ~\$1.4 BN in Free Cash Flow Over 5 Years After Dividend**

## Delivering Consistent Oil-Weighted Production

- Maintain ~60% oil-weighting from 2020-2024

## Average Annual CAPEX ~\$1.3 BN

- 2020 is peak CAPEX in 5-year plan
- Flexibility to adjust based on commodity price

## Balancing Onshore / Offshore Portfolio

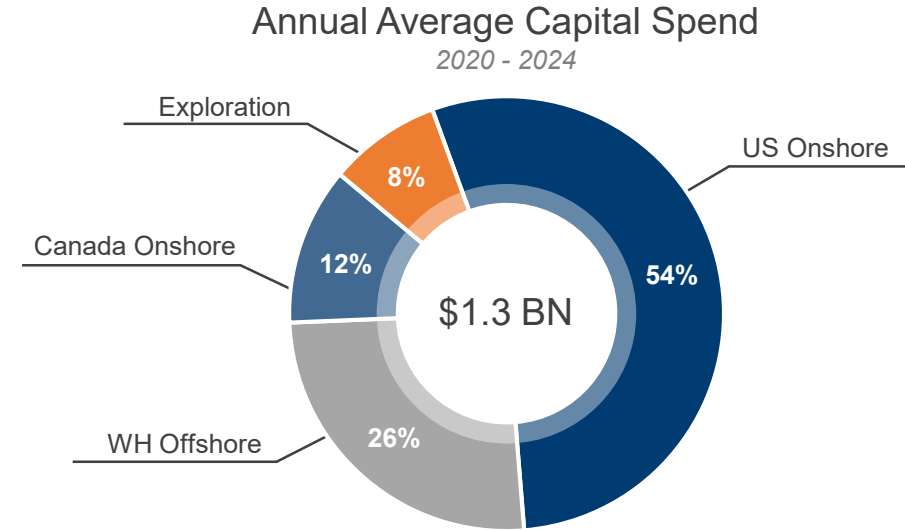
- Increasing US onshore production by 10-12% CAGR through organic growth
- Sustaining production levels through multiple offshore development projects

## Exploration – Focused Strategy

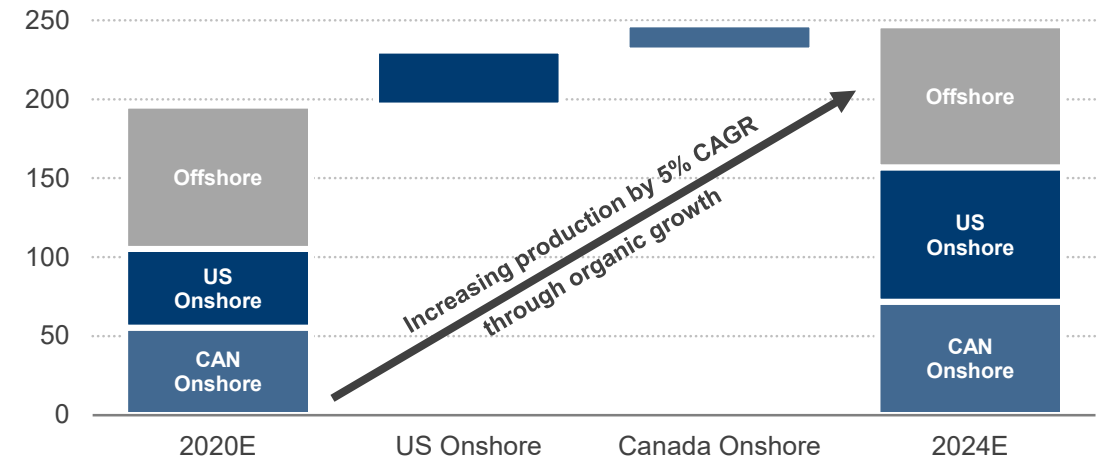
- CAPEX ~\$100 MM per year, flexible as needed
- Ongoing plan of 3-5 wells annually

*Note: assumes WTI \$55/BBL*

*Production volumes and financial amounts exclude noncontrolling interest, unless otherwise stated*



## 2020E – 2024E Production Growth MBOEPD



# Positioning Company for Long-Term Value Creation



## TRANSFORMING

Portfolio by adding oil-weighted, high-margin assets



## PRODUCING

Oil-weighted assets that realize premium pricing



## RAMPING

High value Eagle Ford Shale production



## EXECUTING

Short cycle Gulf of Mexico field development projects



## OFFERING

Investors exploration upside



## FOCUSING

On shareholder priorities



# INVESTOR UPDATE

MARCH 1, 2020

ROGER W. JENKINS

PRESIDENT & CHIEF EXECUTIVE OFFICER





# Appendix



# Non-GAAP Financial Measure Definitions & Reconciliations

The following list of Non-GAAP financial measure definitions and related reconciliations is intended to satisfy the requirements of Regulation G of the Securities Exchange Act of 1934, as amended. This information is historical in nature. Murphy undertakes no obligation to publicly update or revise any Non-GAAP financial measure definitions and related reconciliations.

# Non-GAAP Reconciliation

## ADJUSTED EARNINGS

Murphy defines Adjusted Earnings as net income attributable to Murphy<sup>1</sup> adjusted to exclude discontinued operations and certain other items that affect comparability between periods.

Adjusted Earnings is used by management to evaluate the company's operational performance and trends between periods and relative to its industry competitors.

Adjusted Earnings, as reported by Murphy, may not be comparable to similarly titled measures used by other companies and it should be considered in conjunction with net income, cash flow from operations and other performance measures prepared in accordance with generally accepted accounting principles (GAAP). Adjusted Earnings has certain limitations regarding financial assessments because it excludes certain items that affect net income. Adjusted Earnings should not be considered in isolation or as a substitute for an analysis of Murphy's GAAP results as reported.

<i>\$ Millions, except per share amounts</i>	Three Months Ended – Dec 31, 2019	Three Months Ended – Dec 31, 2018
Net income (loss) attributable to Murphy (GAAP)	(71.7)	103.4
Discontinued operations loss (income)	(36.9)	(64.1)
(Loss) income from continuing operations	(108.6)	39.3
Mark-to-market (gain) loss on crude oil derivative contracts	105.5	(27.6)
Loss on extinguishment of debt	25.4	-
Impact of tax reform	(4.2)	(15.7)
Tax benefits on investments in foreign areas	-	(14.7)
Mark-to-market (gain) loss on contingent consideration	6.5	(3.8)
Foreign exchange losses (gains)	-	(8.8)
Impairment of assets	-	15.8
<b>Adjusted Income (loss) attributable to Murphy (Non-GAAP)</b>	<b>24.6</b>	<b>(15.5)</b>
<b>Adjusted income (loss) from continuing operations per diluted share</b>	<b>0.16</b>	<b>(0.09)</b>

<sup>1</sup> 'Attributable to Murphy' represents the economic interest of Murphy excluding a 20% noncontrolling interest in MP GOM.

# Non-GAAP Reconciliation

## EBITDA and EBITDAX

Murphy defines EBITDA as net income attributable to Murphy<sup>1</sup> before interest, taxes, depreciation and amortization (DD&A). Murphy defines EBITDAX as net income attributable to Murphy before interest, taxes, depreciation and amortization (DD&A) and exploration expense.

Management believes that EBITDA and EBITDAX provides useful information for assessing Murphy's financial condition and results of operations and it is a widely accepted financial indicator of the ability of a company to incur and service debt, fund capital expenditure programs, and pay dividends and make other distributions to stockholders.

EBITDA and EBITDAX, as reported by Murphy, may not be comparable to similarly titled measures used by other companies and it should be considered in conjunction with net income, cash flow from operations and other performance measures prepared in accordance with generally accepted accounting principles (GAAP). EBITDA and EBITDAX have certain limitations regarding financial assessments because they excludes certain items that affect net income and net cash provided by operating activities. EBITDA and EBITDAX should not be considered in isolation or as a substitute for an analysis of Murphy's GAAP results as reported.

\$ Millions	Three Months Ended – Dec 31, 2019	Three Months Ended – Dec 31, 2018
Net income (loss) attributable to Murphy (GAAP)	(71.7)	103.4
Income tax expense (benefit)	(24.0)	(35.0)
Interest expense, net	74.2	47.3
DD&A expense	310.1	199.6
<b>EBITDA attributable to Murphy (Non-GAAP)</b>	<b>288.6</b>	<b>315.3</b>
Exploration expense	19.5	32.5
<b>EBITDAX attributable to Murphy (Non-GAAP)</b>	<b>308.1</b>	<b>347.8</b>

<sup>1</sup> 'Attributable to Murphy' represents the economic interest of Murphy excluding a 20% noncontrolling interest in MP GOM.

# Non-GAAP Reconciliation

## ADJUSTED EBITDA

Murphy defines Adjusted EBITDA as income from continuing operations attributable to Murphy<sup>1</sup> before interest, taxes, depreciation and amortization (DD&A), impairment expense, foreign exchange gains and losses, mark-to-market loss on crude oil derivative contracts, accretion of asset retirement obligations and certain other items that management believes affect comparability between periods.

Adjusted EBITDA is used by management to evaluate the company's operational performance and trends between periods and relative to its industry competitors.

Adjusted EBITDA may not be comparable to similarly titled measures used by other companies and it should be considered in conjunction with net income, cash flow from operations and other performance measures prepared in accordance with generally accepted accounting principles (GAAP). Adjusted EBITDA has certain limitations regarding financial assessments because it excludes certain items that affect net income and net cash provided by operating activities. Adjusted EBITDA should not be considered in isolation or as a substitute for an analysis of Murphy's GAAP results as reported.

<i>\$ Millions, except per BOE amounts</i>	Three Months Ended – Dec 31, 2019	Three Months Ended – Dec 31, 2018
<b>EBITDA attributable to Murphy (Non-GAAP)</b>	288.6	315.3
Discontinued operations loss (income)	(36.9)	(64.2)
Mark-to-market (gain) loss on crude oil derivative contracts	133.5	(35.0)
Accretion of asset retirement obligations	10.7	7.9
Foreign exchange losses (gains)	-	(10.2)
Mark-to-market (gain) loss on contingent consideration	8.2	(4.8)
Impairment of assets	-	20.0
<b>Adjusted EBITDA attributable to Murphy (Non-GAAP)</b>	<b>404.1</b>	<b>229.0</b>
Total barrels of oil equivalents sold from continuing operations attributable to Murphy (thousands of barrels)	17,617	11,814
<b>Adjusted EBITDA per BOE (Non-GAAP)</b>	<b>22.94</b>	<b>19.39</b>

<sup>1</sup> 'Attributable to Murphy' represents the economic interest of Murphy excluding a 20% noncontrolling interest in MP GOM.

# Non-GAAP Reconciliation

## ADJUSTED EBITDAX

Murphy defines Adjusted EBITDAX as income from continuing operations attributable to Murphy<sup>1</sup> before interest, taxes, depreciation and amortization (DD&A), exploration expense, impairment expense, foreign exchange gains and losses, mark-to-market loss on crude oil derivative contracts, accretion of asset retirement obligations and certain other items that management believes affect comparability between periods.

Adjusted EBITDAX is used by management to evaluate the company's operational performance and trends between periods and relative to its industry competitors.

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<i>\$ Millions, except per BOE amounts</i>	Three Months Ended – Dec 31, 2019	Three Months Ended – Dec 31, 2018
<b>EBITDAX attributable to Murphy (Non-GAAP)</b>	308.1	347.8
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Accretion of asset retirement obligations	10.7	7.9
Mark-to-market loss (gain) on crude oil derivative contracts	133.5	(35.0)
Mark-to-market loss (gain) on contingent consideration	8.2	(4.8)
Foreign exchange losses (gains)	-	(10.2)
Impairment of assets	-	20.0
<b>Adjusted EBITDAX attributable to Murphy (Non-GAAP)</b>	<b>423.6</b>	<b>261.5</b>
Total barrels of oil equivalents sold from continuing operations attributable to Murphy (thousands of barrels)	17,617	11,814
<b>Adjusted EBITDAX per BOE (Non-GAAP)</b>	<b>24.05</b>	<b>22.14</b>

<sup>1</sup> 'Attributable to Murphy' represents the economic interest of Murphy excluding a 20% noncontrolling interest in MP GOM.



# Glossary of Abbreviations

**BBL:** Barrels (equal to 42 US gallons)

**BCF:** Billion cubic feet

**BCFE:** Billion cubic feet equivalent

**BN:** Billions

**BOE:** Barrels of oil equivalent (1 barrel of oil or 6,000 cubic feet of natural gas)

**BOEPD:** Barrels of oil equivalent per day

**BOPD:** Barrels of oil per day

**CAGR:** Compound annual growth rate

**D&C:** Drilling & completion

**DD&A:** Depreciation, depletion & amortization

**EBITDA:** Income from continuing operations before taxes, depreciation, depletion and amortization, and net interest expense

**EBITDAX:** Income from continuing operations before taxes, depreciation, depletion and amortization, net interest expense, and exploration expenses

**EFS:** Eagle Ford Shale

**EUR:** Estimated ultimate recovery

**F&D:** Finding & development

**G&A:** General and administrative expenses

**GOM:** Gulf of Mexico

**LOE:** Lease operating expense

**MBOE:** Thousands barrels of oil equivalent

**MBOEPD:** Thousands of barrels of oil equivalent per day

**MCf:** Thousands of cubic feet

**MCFD:** Thousands cubic feet per day

**MM:** Millions

**MMBOE:** Millions of barrels of oil equivalent

**MMCF:** Millions of cubic feet

**MMCFD:** Millions of cubic feet per day

**NA:** North America

**NGL:** Natural gas liquid

**ROR:** Rate of return

**R/P:** Ratio of reserves to annual production

**TCF:** Trillion cubic feet

**TCPL:** TransCanada Pipeline

**TOC:** Total organic content

**WI:** Working interest

**WTI:** West Texas Intermediate (a grade of crude oil)

# 1Q 2020 Guidance

Producing Asset	Oil (BOPD)	NGLs (BOPD)	Gas (MCFD)	Total (BOEPD)
US – Eagle Ford Shale	32,100	5,400	30,400	42,600
– Gulf of Mexico excluding NCI <sup>1</sup>	69,600	5,500	77,000	87,900
Canada – Tupper Montney	–	–	240,000	40,000
– Kaybob Duvernay and Placid Montney	6,200	1,600	22,200	11,500
– Offshore	4,500	–	–	4,500
Other	500	–	–	500

1Q Production Volume (BOEPD) <i>excl. NCI</i> <sup>1</sup>	181,000 – 193,000
1Q Exploration Expense (\$MM)	\$28
Full Year 2020 CAPEX (\$BN) <i>excl. NCI</i> <sup>2</sup>	\$1.4 – \$1.5
Full Year 2020 Production (BOEPD) <i>excl. NCI</i> <sup>3</sup>	190,000 – 202,000

<sup>1</sup> Excludes noncontrolling interest of MP GOM of 12,800 BOPD oil, 600 BOPD NGLs and 5,200 MCFD gas

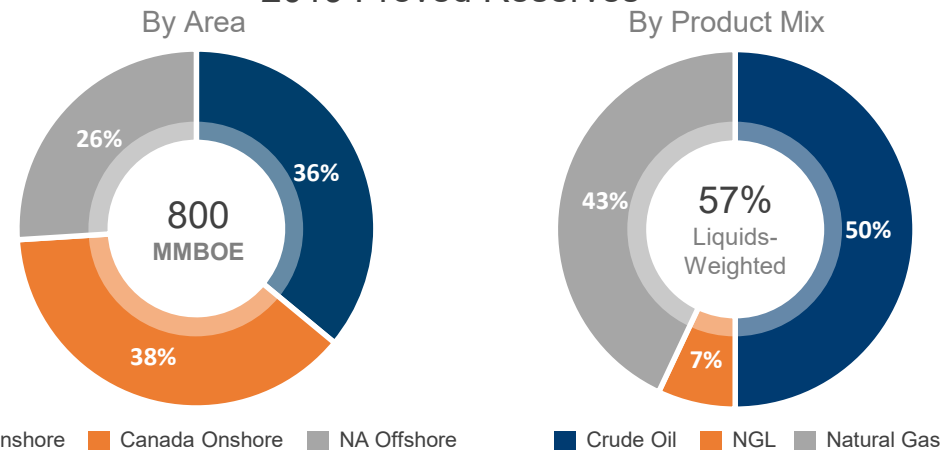
<sup>2</sup> Excludes noncontrolling interest of MP GOM of \$62 MM and \$3 MM for assets held for sale

<sup>3</sup> Excludes noncontrolling interest of MP GOM of 12,600 BOPD oil, 600 BOPD of NGLs, and 5,600 MCFD gas

# Reserves Summary

As of December 31, 2019	Crude Oil	NGLs	Natural Gas	Total
<b>Proved Developed</b>	(Millions of Barrels)		(Billions of Cubic Feet)	(Millions of Barrels Equivalent)
United States	187.3	25.6	246.0	253.9
Canada	25.1	1.9	1,026.7	198.1
Other <sup>1</sup>	0.8	0.0	0.0	0.8
<b>Total Proved Developed</b>	<b>213.2</b>	<b>27.5</b>	<b>1,272.7</b>	<b>452.8</b>
<b>Proved Undeveloped</b>				
United States	168.3	26.4	161.4	221.6
Canada	20.2	1.4	626.2	126.0
Other <sup>1</sup>	0.0	0.0	0.0	0.0
<b>Total Proved Undeveloped</b>	<b>188.5</b>	<b>27.8</b>	<b>787.6</b>	<b>347.6</b>
<b>Total Proved</b>	<b>401.7</b>	<b>55.3</b>	<b>2,060.3</b>	<b>800.4</b>

2019 Proved Reserves



<sup>1</sup> Other includes asset held for sale

Note: Reserves are based on SEC year-end 2019 third-party audited proved reserves and exclude noncontrolling interest

# 2020 Hedging Positions

## United States

Commodity	Type	Volumes (BBL/D)	Price (BBL)	Start Date	End Date
WTI	Fixed Price Derivative Swap	45,000	\$56.42	1/1/2020	12/31/2020

## Montney, Canada

Commodity	Type	Volumes (MMCF/D)	Price (MCF)	Start Date	End Date
Natural Gas	Fixed Price Forward Sales at AECO	97	C\$2.71	1/1/2020	3/31/2020
Natural Gas	Fixed Price Forward Sales at AECO	59	C\$2.81	4/1/2020	12/31/2020

\* As of January 29, 2020



# Current Financial Position

As of December 31, 2019

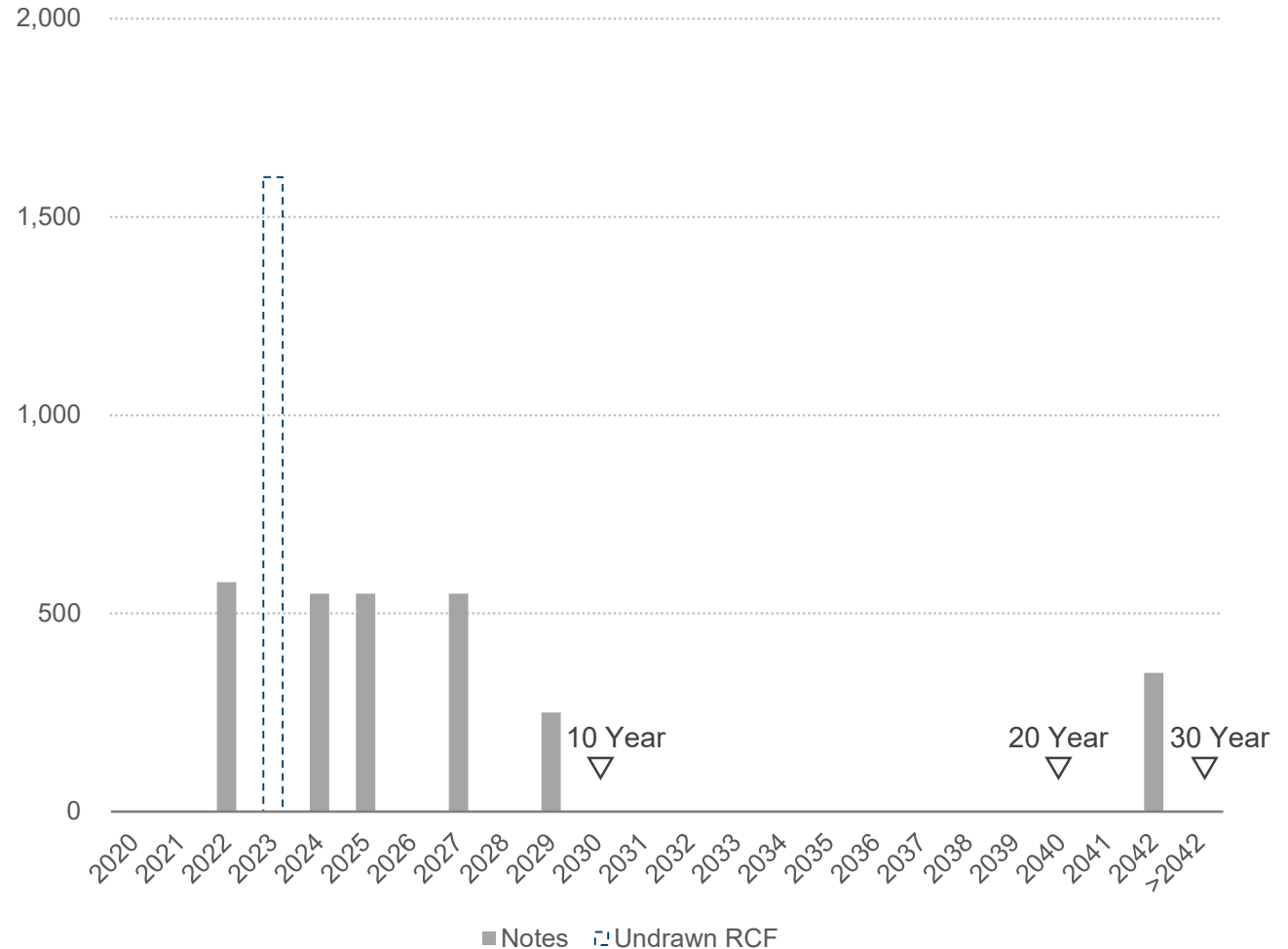
- \$2.8 BN total debt, excluding capital leases
- Total liquidity \$1.9 BN
- \$307 MM of cash and cash equivalents
- Undrawn \$1.6 BN unsecured senior credit facility
- 34% total debt to cap
- 31% net debt to cap

## Maturity Profile\*

Total Bonds Outstanding \$BN	\$2.8
Weighted Avg Fixed Coupon	5.8%
Weighted Avg Years to Maturity	7.7

\* As of December 31, 2019

Note Maturity Profile \$MM



# Employee and Community Investments Support Stable Operations

## In the Workplace



### Human Capital Initiatives

- Reviewing pay equity annually across employee groups and the organization
- Offering training and development through a variety of platforms to empower employees individually and professionally
- Partnering with external organizations to target diverse talent pools

### Employee Engagement

- Solicit ongoing feedback and increase employee engagement through Ambassador program
- Ongoing review of benefit enhancements to attract and retain top talent
- Support employee communications with company-wide quarterly town halls

### Culture Assimilation

- Corporate culture affirmed through internal Mission, Vision, Values and behaviors program
- Employee performance reviews include alignment with corporate behavior policies

## In the Community



### United States & Canada

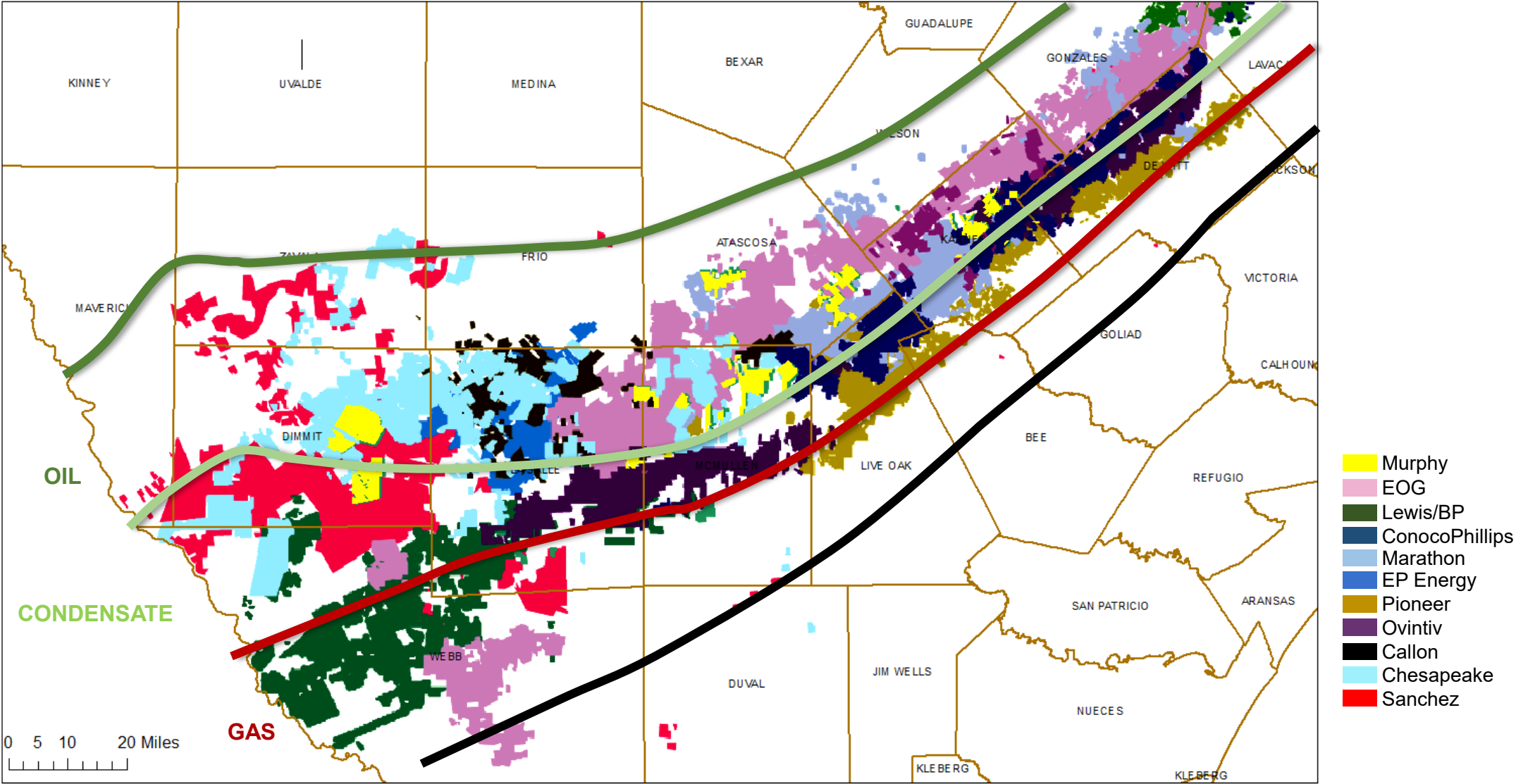
- El Dorado Promise
  - Tuition scholarship provided to El Dorado High School graduates
  - Benefitted more than 2,600 students since inception
  - College enrollment rate surpasses state and national levels
- United Way
  - Partners for more than 50 years
  - Over \$13 MM contributed in past 20 years across multiple locations
  - >90% employee participation company-wide

### International

- Process in place for new country entry
  - Includes assessment of ESG risks and social impact
- Community consultation processes
- Supporting local suppliers and initiatives
- Threshold investment targets for local content

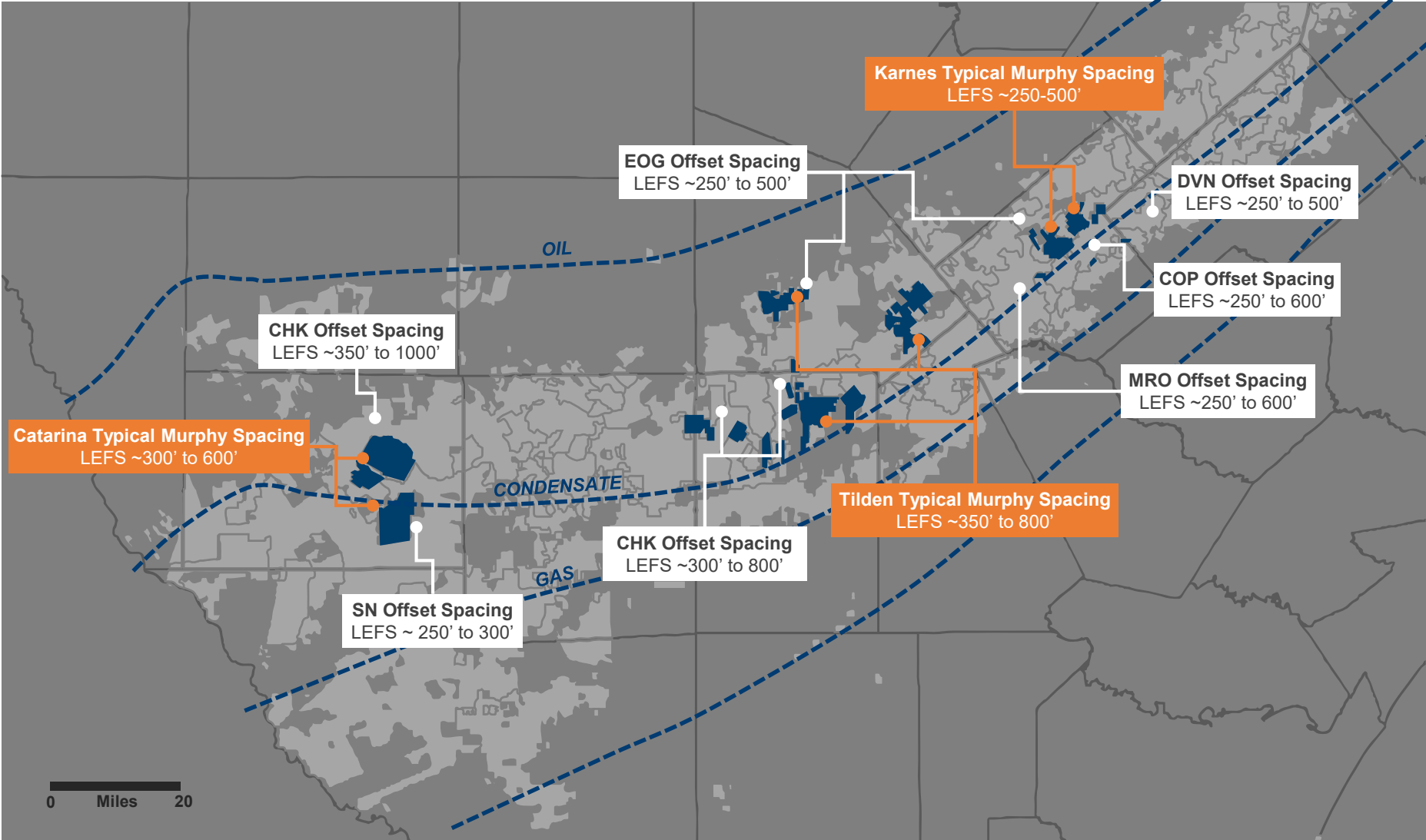
# Eagle Ford Shale

Peer Acreage



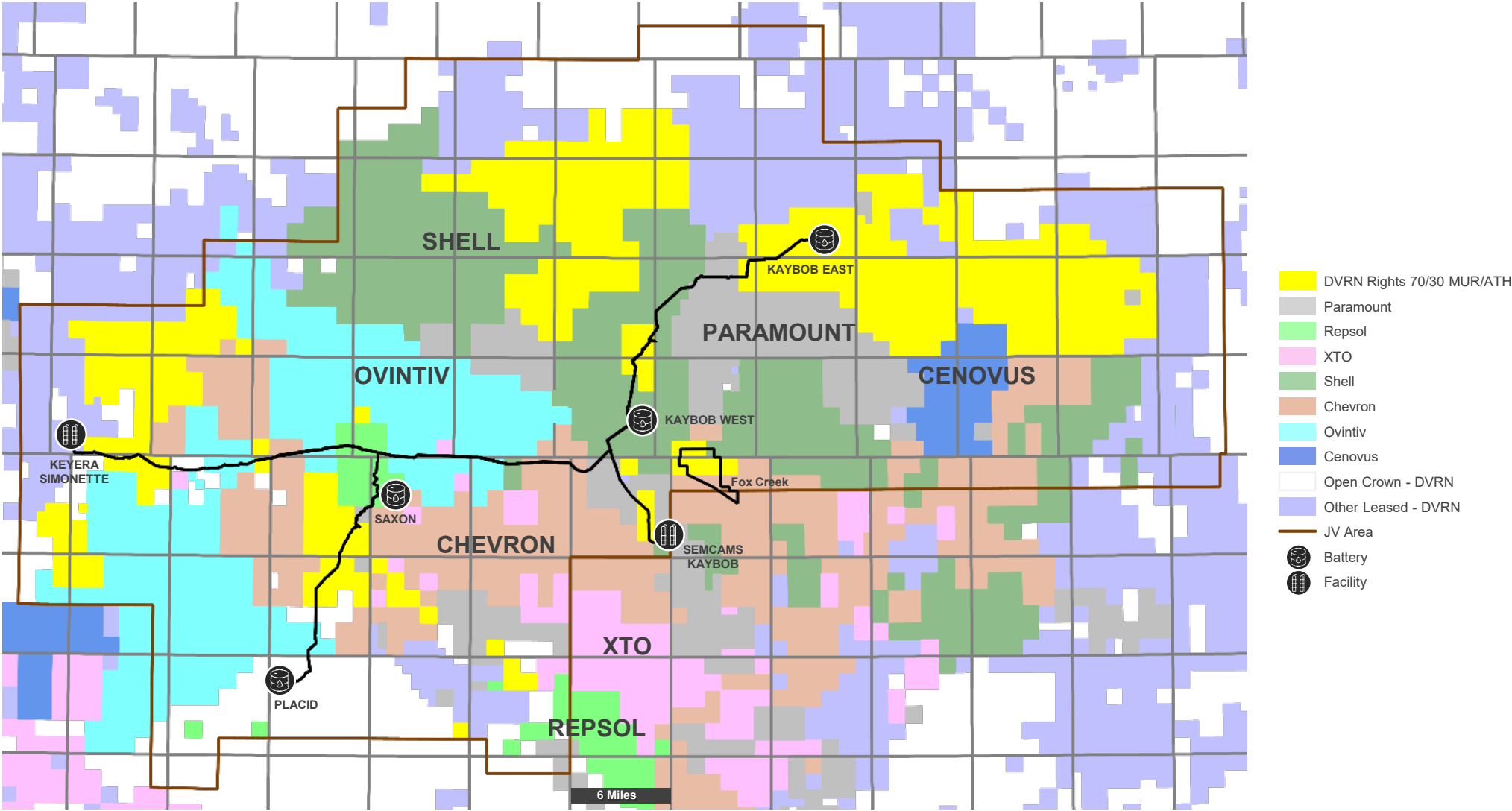
# Eagle Ford Shale

## Murphy Spacing vs Peers



# Kaybob Duvernay

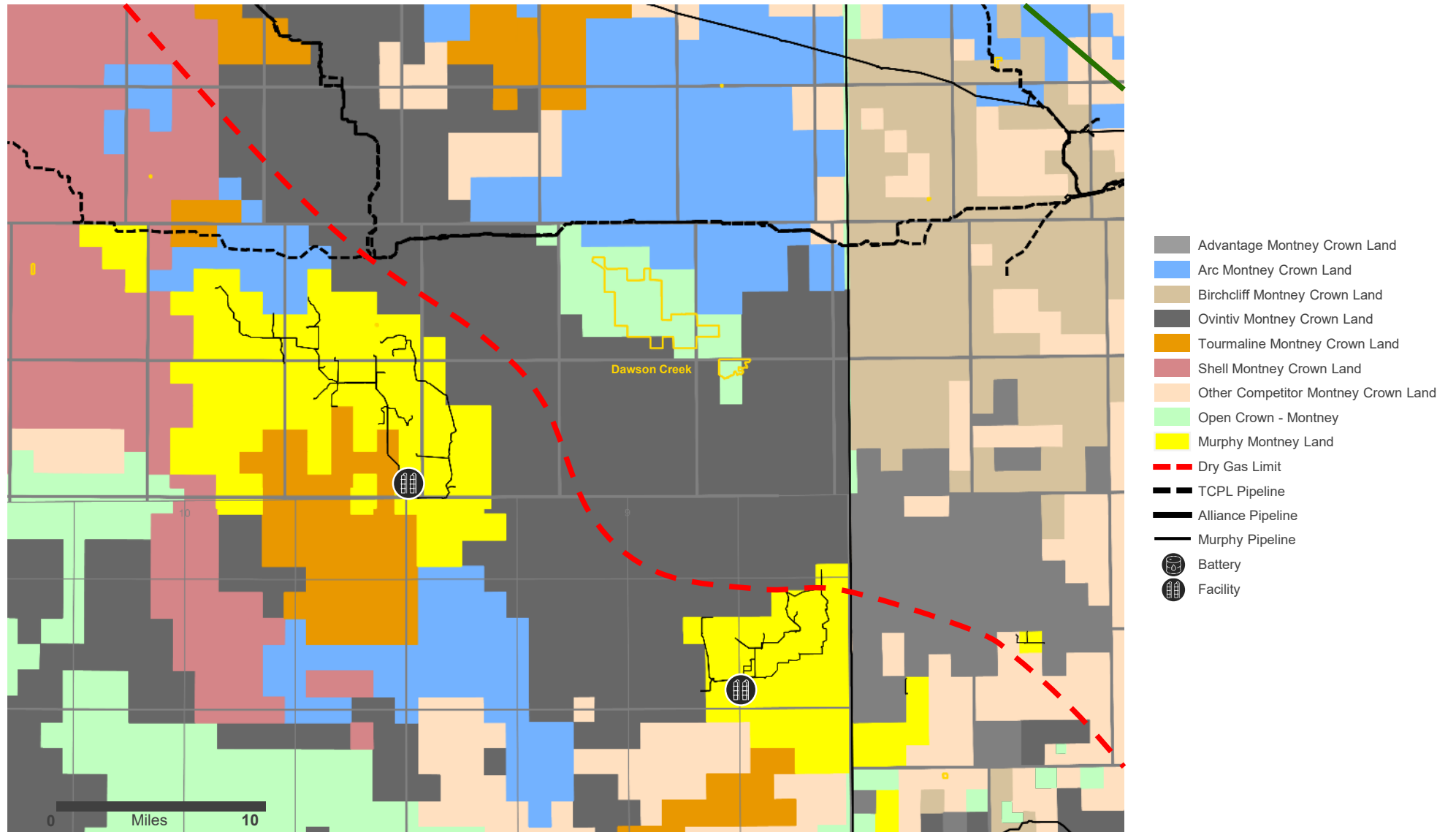
Peer Acreage





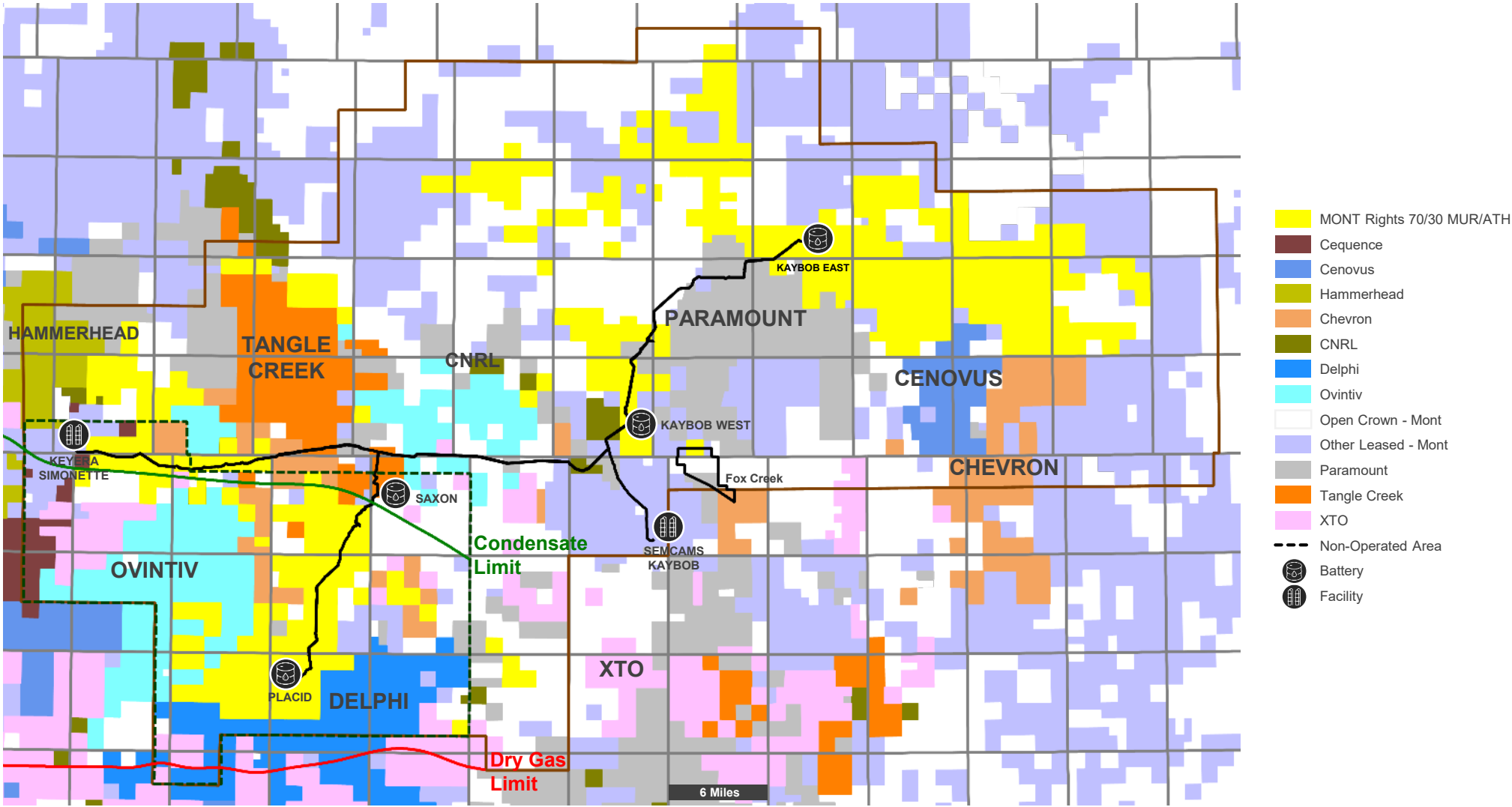
# Tupper Montney

## Peer Acreage



# Placid Montney

## Peer Acreage



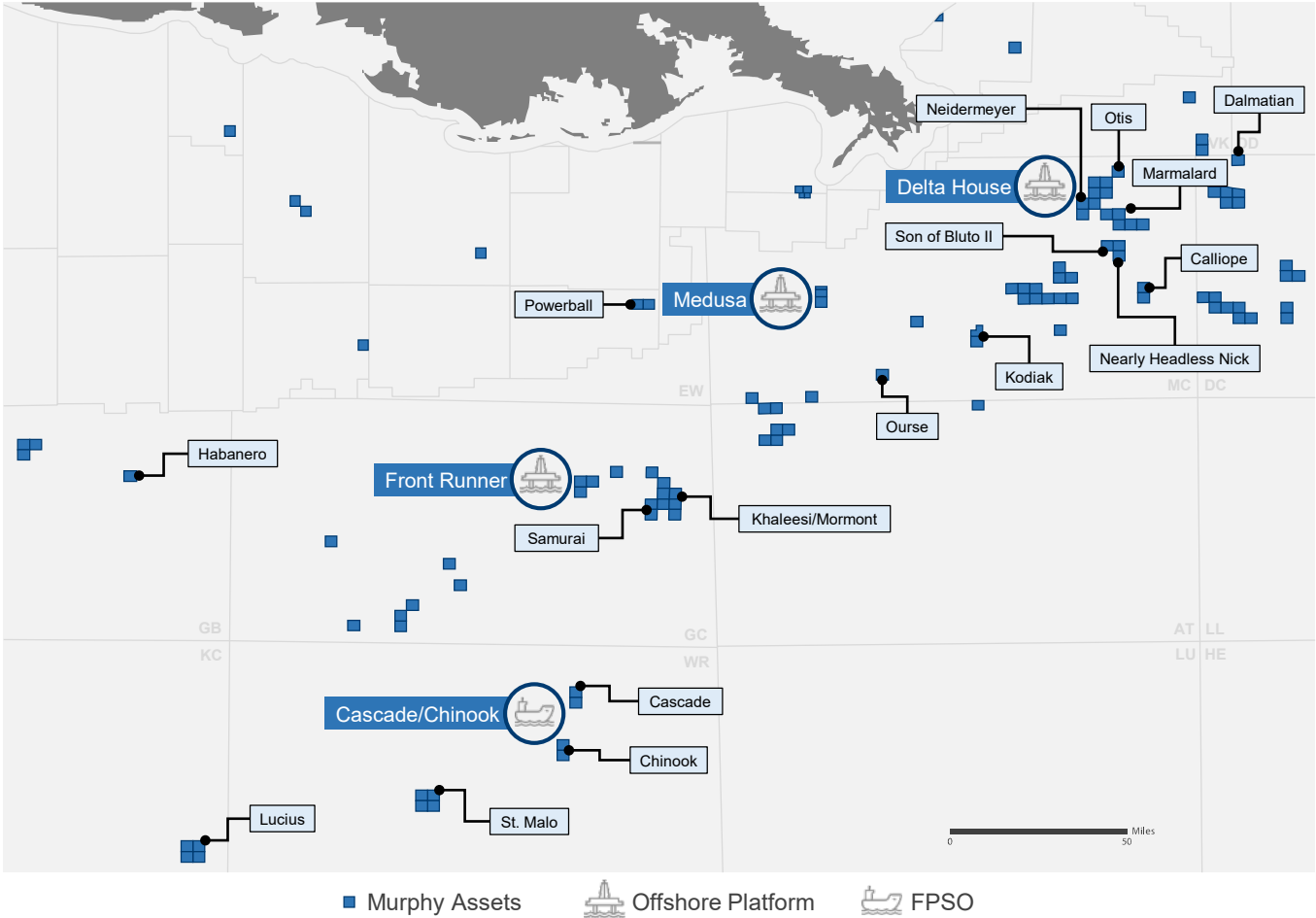
# Gulf of Mexico

## Murphy Blocks

PRODUCING ASSETS		
Asset	Operator	Murphy WI <sup>1</sup>
Cascade	Murphy	80%
Chinook	Murphy	80%
Clipper	Murphy	80%
Cottonwood	Murphy	80%
Dalmatian	Murphy	56%
Front Runner	Murphy	50%
Habanero	Shell	27%
Kodiak	Kosmos	48%
Lucius	Anadarko	9%
Marmalard	Murphy	27%
Marmalard East	Murphy	68%
Medusa	Murphy	48%
Neidermeyer	Murphy	53%
Powerball	Murphy	75%
Son of Bluto II	Murphy	27%
St. Malo	Chevron	20%
Tahoe	W&T	24%
Thunder Hawk	Murphy	50%

Note: Anadarko is a wholly-owned subsidiary of Occidental Petroleum  
 1 Excluding noncontrolling interest

Gulf of Mexico Assets



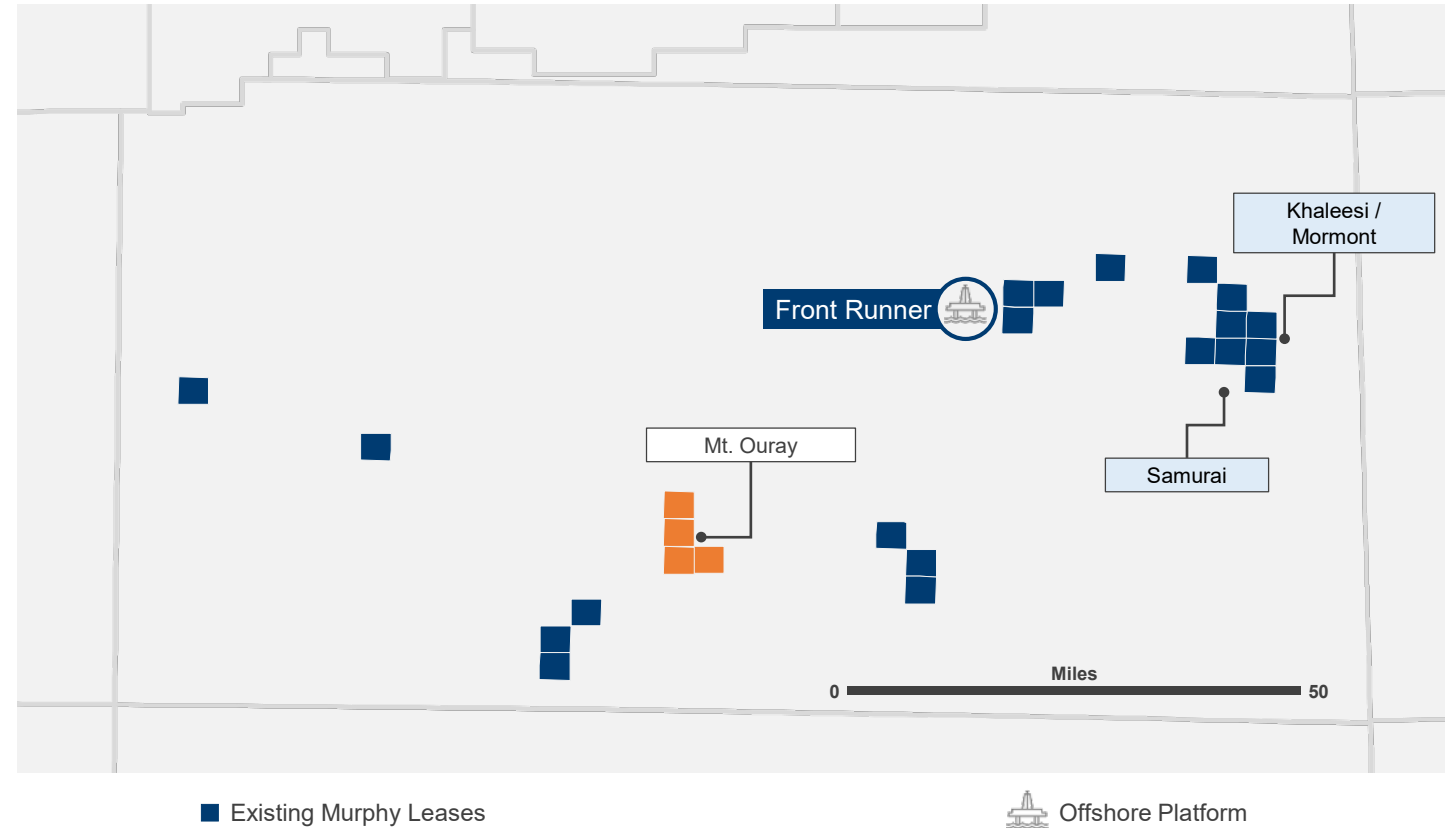
# Exploration Update

Mt. Ouray Prospect – Green Canyon 767

## Mt. Ouray Overview

- EnVen 40% (Op), Ridgewood / ILX 40%, Murphy 20%
- Located within proven and producing basin
- Upper Miocene amplitude
- 3-way structural trap
- Expected spud 2Q 2020

## US Gulf of Mexico Green Canyon Acreage





# Exploration Update

Salina Basin, Mexico

## Block 5 Overview

- Murphy 40% (Op), Petronas 30%, Wintershall Dea 30%
- 34 leads / prospects
- Mean to upward gross resource potential
  - 800 MMBO – 2,000 MMBO

## Cholula-2DEL Appraisal

- Targeting 3Q-4Q 2020 spud

## Batopilas Prospect

- Focused on new sub-salt play
- Targeting 4Q 2020 spud

Salina Basin



■ Murphy WI Block   ■ Other Blocks   ● Planned 2020 Wells   ○ Discoveries

# Exploration Update

Sergipe-Alagoas Basin, Brazil

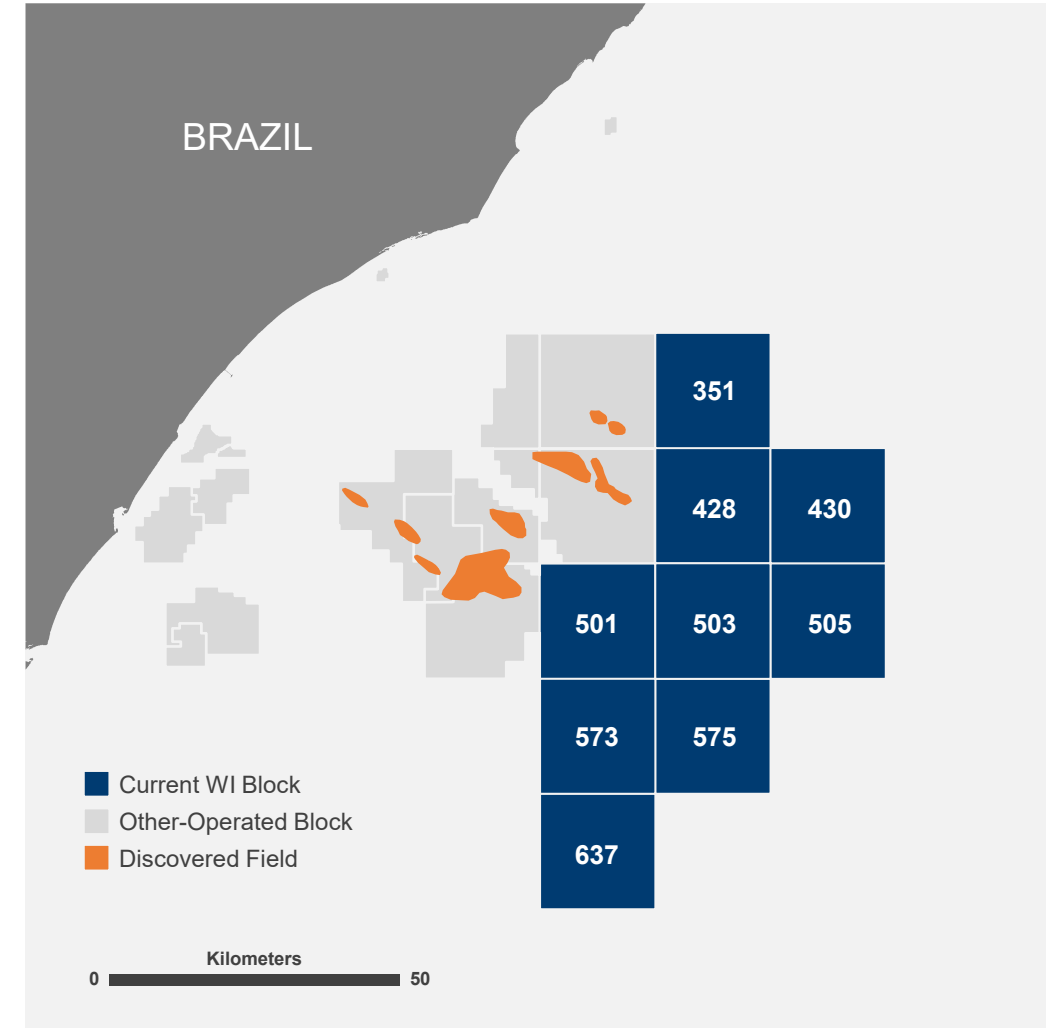
## Asset Overview

- ExxonMobil 50% (Op), Enauta Energia S.A. 30%, Murphy 20%
- Hold WI in 9 blocks, spanning >1.6 MM acres
- >2.8 BN BOE discovered in basin
- >1.2 BN BOE in deepwater since 2007
- Material opportunities identified on Murphy blocks

## Continuing to Evaluate Data

- Several prospects identified
- Well planning ongoing in 2020
- Drilling planned for 2021

Sergipe-Alagoas Basin



All blocks begin with SEAL-M

# Exploration Update

Potiguar Basin, Brazil

## Asset Overview

- Wintershall Dea 70% (Op), Murphy 30% WI
- Farm-in agreement to 3 blocks approved by regulator, final signing to occur in near term
  - Blocks POT-W-857, POT-W-863 and POT-W-865
  - Total ~774,000 gross acres
- Proven oil basin in proximity to Pitu oil discovery

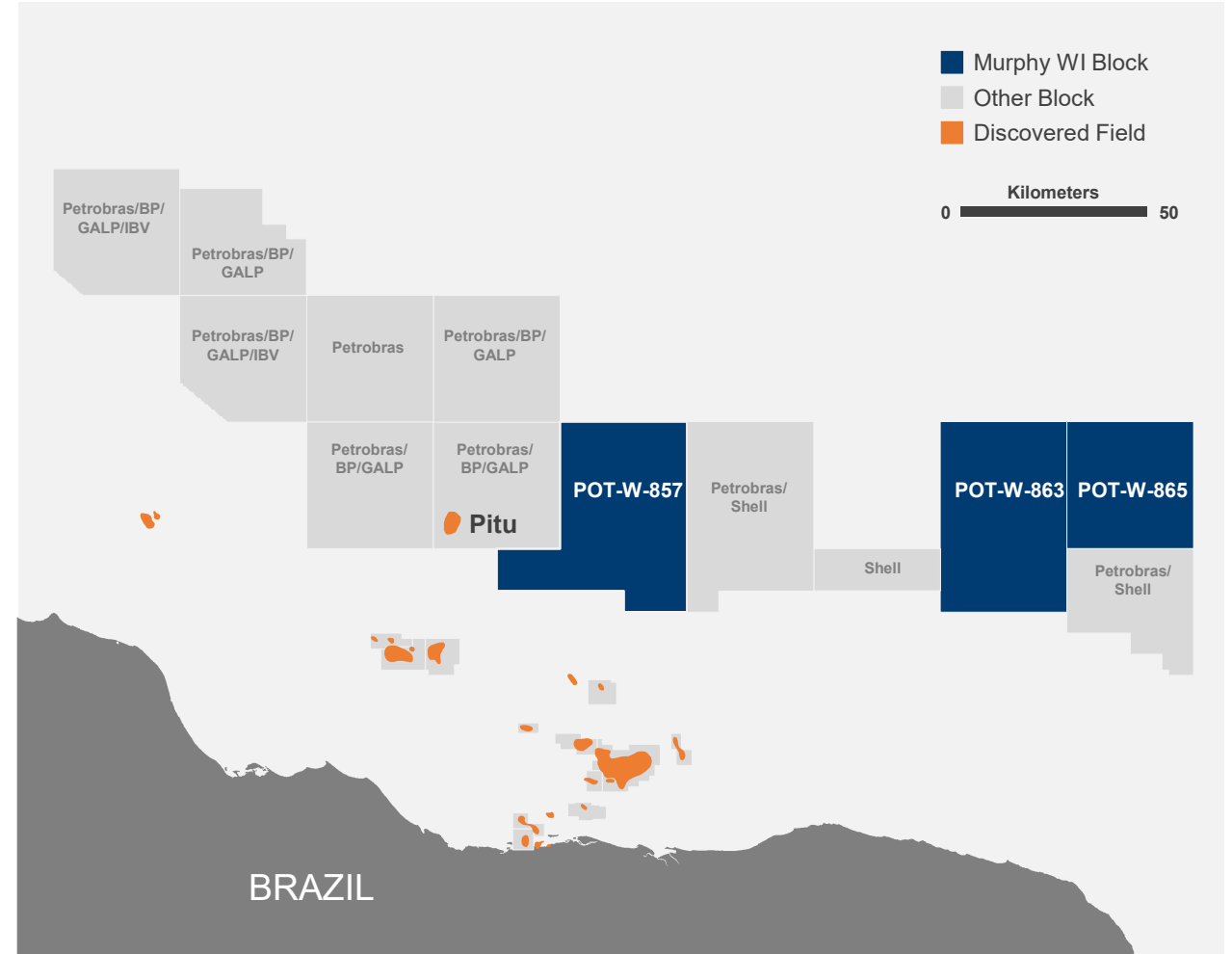
## Timely Data Acquisition

- 3D seismic acquired in 2019

## Extending the Play into the Deepwater

- >2.1 BBOE discovered in basin
  - Onshore and shelf exploration
  - Pitu step-out into deepwater

Potiguar Basin



## Asset Overview

- Murphy 40% (Op), PVEP 35%, SKI 25%
- >400 MMBOE remaining resource potential on blocks (15-1/05 and 15-2/17)

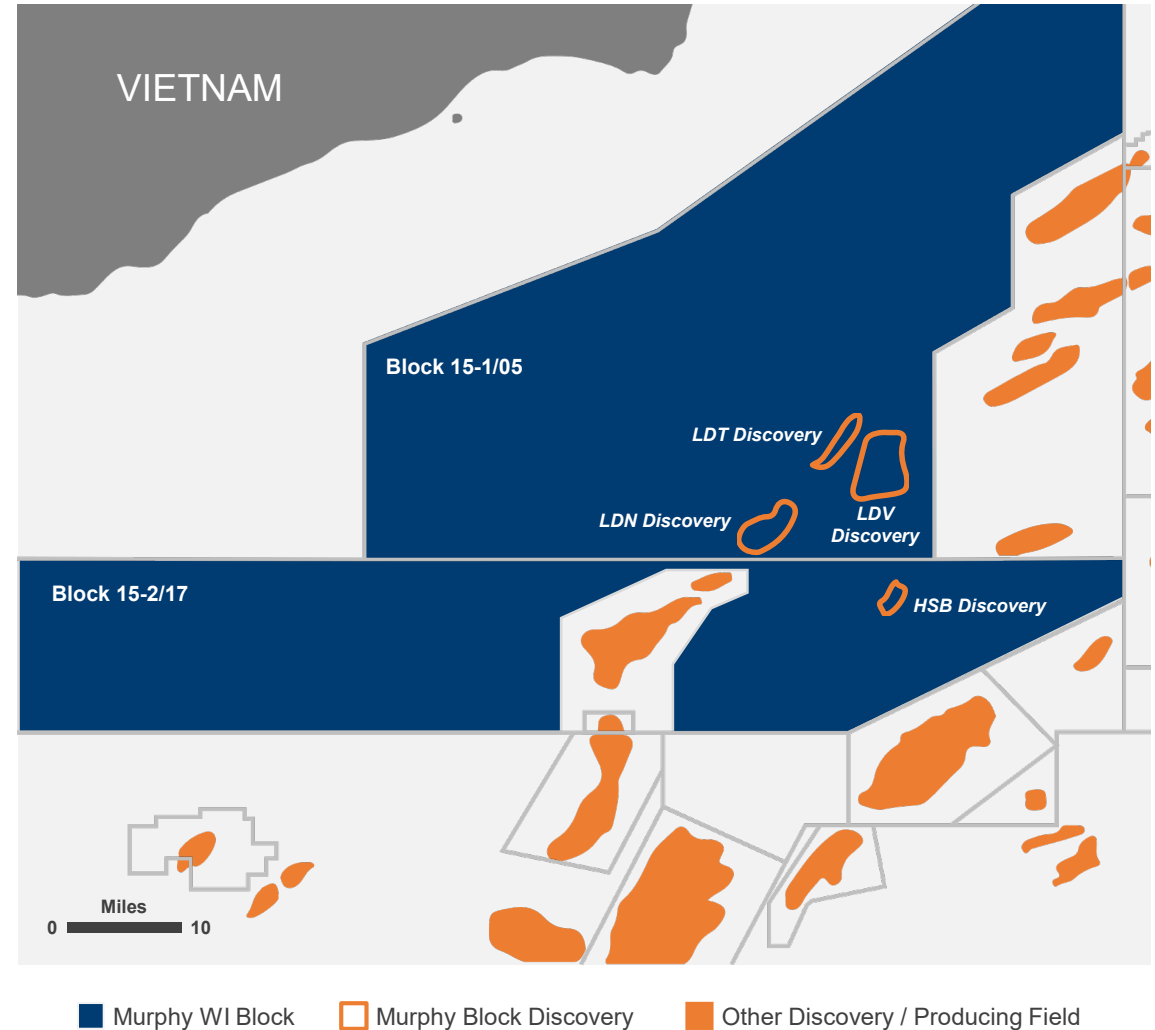
## Block 15-1/05 – Lac Da Vang (LDV) Field

- Received Prime Minister approval for LDV field outline development plan
- Commenced front-end engineering design work
- LDT-1X discovery well potential to add bolt-on resources to LDV field development

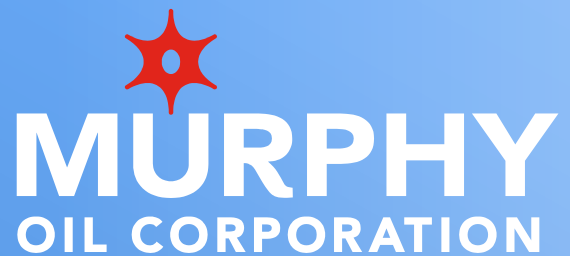
## Block 15-2/17

- Received Prime Minister approval on production sharing contract
- Formal contract signed 4Q 2019
- Received investment certificate

Cuu Long Basin







# INVESTOR UPDATE

MARCH 1, 2020

ROGER W. JENKINS

PRESIDENT & CHIEF EXECUTIVE OFFICER