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

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): December 3, 2018 (November 28, 2018)

MURPHY OIL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	1-8590	71-0361522
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

300 Peach Street P.O. Box 7000, El Dorado, Arkansas	71730-7000
(Address of principal executive offices)	(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 1.01 Entry into a Material Definitive Agreement

On November 28, 2018, Murphy Oil Corporation (the “Company”) entered into a $1.6 billion revolving credit facility (the “New Revolving Credit Facility”). The New Revolving Credit Facility will be a senior unsecured guaranteed facility and will expire in November 2023.

Borrowings under the New Revolving Credit Facility bear interest at rates, based, at the Company’s option, on the “Alternate Base Rate” of interest in effect plus the “ABR Spread” or the “Adjusted LIBOR Rate,” which is a periodic fixed rate based on LIBOR with a term equivalent to the interest period for such borrowing, plus the “Eurodollar Spread.” The “Alternate Base Rate” of interest is the highest of (i) the Wall Street Journal prime rate, (ii) the New York Federal Reserve Bank Rate plus 0.50%, and (iii) one-month LIBOR plus 1.00%. The “Eurodollar Spread” ranges from 1.075% to 2.10% per annum based upon the Corporation’s senior unsecured long-term debt securities credit ratings (the “Credit Ratings”). A facility fee accrues and is payable quarterly in arrears at a rate ranging from 0.175% to 0.40% per annum (based upon the Company’s Credit Ratings) on the aggregate commitments under the New Revolving Credit Facility.

On the date the Company achieves certain Credit Ratings (the “Investment Grade Ratings Date”), the guarantees will be released and certain covenants will be modified as set forth in the New Revolving Credit Facility. In addition, prior to the Investment Grade Ratings Date, the Company will be required to comply with a maximum consolidated debt ratio of 4.00x, and a minimum ratio of Adjusted EBITDAX to interest expense of 2.50x. From and after the Investment Grade Ratings Date, the Company will be required to comply with a maximum ratio of consolidated debt to consolidated total capitalization of 60%.

The foregoing description of the New Revolving Credit Facility does not purport to be complete and is qualified in its entirety by reference to the full text of the New Revolving Credit Facility, which will be filed as Exhibit 10.1 to the Annual Report on Form 10-K.

In the ordinary course of their respective businesses, the lenders under the New Revolving Credit Facility and their affiliates have engaged, and may in the future engage, in commercial banking and/or investment banking transactions with the Company and its affiliates.

Item 1.02 Termination of a Material Definitive Agreement

Effective November 28, 2018, the Company terminated the Credit Agreement dated as of August 10, 2016 among the Company, the other parties thereto and JPMorgan Chase, N.A.

Item 2.01 Completion of Acquisition or Disposition of Assets

On November 30, 2018, Murphy Exploration & Production Company – USA (“Murphy”), a subsidiary of Murphy Oil Corporation, and Petrobras America Inc. (“PAI”), a subsidiary of Petróleo Brasileiro S.A., formed a joint venture pursuant to the terms of the Contribution Agreement (the “Contribution Agreement”), dated as of October 10, 2018, among Murphy, PAI and MP Gulf of Mexico, LLC (“MPGOM”), the joint venture company previously 100% owned by Murphy. The transaction has an effective date of October 1, 2018.

Pursuant to the Contribution Agreement, Murphy contributed its interests in the Dalmatian, Clipper, Front Runner, Habanero, Kodiak, Tahoe and Thunder Hawk fields and its interest in the Medusa Spar LLC to MPGOM, and PAI contributed its interests in the Cascade, Chinook, Lucius, St. Malo, Cottonwood, South Marsh Island, Northwestern, Main Pass, Ship Shoal and South Hadrian fields and its interests in exploration blocks in the U.S. Gulf of Mexico to MPGOM. Murphy also paid cash consideration of $900 million, subject to normal closing adjustments, to PAI on behalf of MPGOM. Additionally, PAI can earn an additional contingent consideration up to $150 million if certain price and production thresholds are exceeded beginning in 2019 through 2025. Also, Murphy will carry $50 million of PAI costs in the St. Malo field if certain enhanced oil recovery projects are undertaken. As a result of the transaction, PAI received a 20% membership interest in MPGOM, and Murphy’s membership interest in MPGOM was reduced to 80%. Murphy controls the operations of MPGOM, subject to certain PAI approval rights. In addition, Murphy is the contract operator of MPGOM’s assets. Murphy funded the transaction through a combination of cash-on-hand and its senior credit facility.

A full text of a news release announcing the closing of this transaction is attached as Exhibit 99.1 and incorporated herein by reference.

Item 2.02 Results of Operations and Financial Condition

The following information is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition."

On December 3, 2018, Murphy Oil Corporation announced updated full year capital expenditure information related to field development activities in the Eagle Ford Shale and updated fourth quarter and full year production guidance information related to the joint venture between Murphy and PAI and other operational events.

A full text of a news release announcing the details of the updated guidance is attached as Exhibit 99.1 and incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of the Business Acquired

The financial statements required by this Item will be included in an amendment to this Current Report on Form 8-K as soon as practicable, but not later than 71 calendar days after the date that the initial report on Form 8-K must be filed.

(b) Pro Forma Financial Information

The pro forma financial information required by this Item will be included in an amendment to this Current Report on Form 8-K as soon as practicable, but not later than 71 calendar days after the date that the initial report on Form 8-K must be filed.

(d)	Exhibits
99.1	A news release dated December 3, 2018 announcing the closing of the Gulf of Mexico joint venture, updated capital expenditure and production guidance information, and a new unsecured revolving credit facility.

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/ Christopher D. Hulse
Christopher D. Hulse
Vice President and Controller

Date: December 3, 2018

Exhibit Index

99.1	A news release dated December 3, 2018 announcing the closing of the Gulf of Mexico joint venture, updated capital expenditure and production guidance information, and a new unsecured revolving credit facility.

Exhibit 99.1

MURPHY OIL CLOSES GULF OF MEXICO JOINT VENTURE, PROVIDES UPDATED GUIDANCE AND ANNOUNCES NEW UNSECURED CREDIT FACILITY

EL DORADO, Arkansas, December 3, 2018 – Murphy Oil Corporation (NYSE: MUR) announced today that its wholly owned subsidiary, Murphy Exploration & Production Company - USA, has closed the previously announced strategic deep water Gulf of Mexico joint venture with Petrobras America Inc. ("PAI"), a subsidiary of Petrobras (NYSE: PBR) for net cash consideration of approximately $795 million. The transaction has an effective date of October 1, 2018.

Murphy's net cash consideration, after adjustments provided for in the contract, of approximately $795 million is funded by $470 million of cash-on-hand with the remaining $325 million being drawn on the company's new senior credit facility.

Under the terms of the transaction, both companies contributed all their current producing Gulf of Mexico assets to the joint venture company, MP Gulf of Mexico, LLC ("MPGOM"). MPGOM will be owned 80 percent by Murphy and 20 percent by PAI, with Murphy overseeing the operations. The company expects to account for the PAI share of this transaction as a noncontrolling interest.

BENEFITS OF THE TRANSACTION

- Increasing total Gulf of Mexico production to approximately 60,000 net barrels of oil equivalent per day at closing, net to Murphy's interest
- Providing high-margin production with Gulf Coast prices
- Accelerating activity in the oil-weighted Eagle Ford Shale with cash flow generated from new joint venture assets

"We are excited to close this transformational joint venture and form a strategic partnership with Petrobras. Our newly expanded Gulf of Mexico portfolio is consistent with Murphy's long-term vision of increasing profitable oil-weighted production in an area where we have a long history of success. We plan to allocate a portion of the cash flow generated by the joint venture to accelerate further high-value oil-weighted activity in our Eagle Ford Shale asset," stated Roger W. Jenkins, Murphy Oil President and Chief Executive Officer.

UPDATED GUIDANCE

As a result of the transaction and other operational events, Murphy is providing updated fourth quarter and full year production guidance. The company expects fourth quarter production to be approximately 176,000 barrels of oil equivalent per day (BOEPD) and full year production to be approximately 171,000 BOEPD, net to Murphy's interest.

Following the November 30, 2018 closing of the joint venture, average fourth quarter production in the Gulf of Mexico will increase by approximately 13,000 BOEPD, net to Murphy's interest. Across several of the company's assets, fourth quarter production was impacted by recent unplanned events, including severe storms in non-operated offshore Canada (2,000 BOEPD); third-party processing, facility de-bottlenecking start-up delays in Malaysia (1,500 BOEPD); and non-operated facility downtime in the Gulf of Mexico (1,500 BOEPD).

In conjunction with the previously announced plan to accelerate activity in the Eagle Ford Shale, full year capital expenditures are being increased by approximately $48 million to $1.23 billion. In order to jump-start activity for 2019, the company plans to drill ten and complete eight additional wells in 2018.

SENIOR UNSECURED CREDIT FACILITY

Murphy also announced today the closing of its new $1.6 billion five-year senior unsecured revolving credit facility. Effective November 28, 2018, the new revolving credit facility replaces the previous $1.1 billion unsecured facility.

The new revolving credit facility has enhanced terms that are more consistent with investment grade-rated companies. Murphy intends to use this credit facility for working capital, capital expenditures, acquisitions, the issuance of letters of credit and general corporate purposes.

"The new credit facility allows for additional financial flexibility should we need to access capital as we execute on our business plan through the commodity price cycles. The attractive pricing and relaxed covenants place Murphy in a position of significant strength with increased liquidity following the closing of our Gulf of Mexico joint venture," stated Jenkins.

FINANCIAL REPORTING

For financial reporting purposes, beginning with the fourth quarter 2018 earnings release and 2018 10-K, with respect to the Gulf of Mexico joint venture, Murphy expects to report 100 percent of the joint venture's production, revenues, and costs (including the 20 percent noncontrolling interest in MPGOM held by PAI) in accordance with accounting for noncontrolling interests as prescribed by ASC 810-10-45. The production numbers reflected in the body of this press release, however, only reflect Murphy's 80 percent interest in MPGOM volumes attributable to Murphy's economic interest.

ABOUT MURPHY OIL CORPORATION

Murphy Oil Corporation is a global independent oil and natural gas exploration and production company. The company's diverse resource base includes offshore production in Southeast Asia, Canada and Gulf of Mexico, as well as North America onshore plays in the Eagle Ford Shale, Kaybob Duvernay and Montney. Additional information can be found on the company's website at http://www.murphyoilcorp.com.

FORWARD-LOOKING STATEMENTS

This news release 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 level of crude oil and natural gas prices, 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.

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