

MURPHY OIL CORP /DE
Form 10-Q
August 05, 2015

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, 2015

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	71-0361522
(State or	(I.R.S.
other	Employer

jurisdiction of
incorporation
or
organization) Identification
Number)

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

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

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 and posted on its corporate
Web site, if any, every Interactive Data File
required to be submitted and posted 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 and post such files).

Yes No

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

Large accelerated filer

Accelerated filer
 Non-accelerated filer
 Smaller reporting company

Indicate by check mark whether the registrant is a
shell company (as defined in Rule 12b-2 of the

Exchange Act).

Yes No

Number of shares of Common Stock, \$1.00 par value, outstanding at June 30, 2015 was 172,751,942.

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)

(Thousands of dollars)

	June 30, 2015	December 31, 2014*
ASSETS		
Current assets		
Cash and cash equivalents	\$ 909,268	1,193,308
Canadian government securities with maturities greater than 90 days at the date of acquisition	395,544	461,313
Accounts receivable, less allowance for doubtful accounts of \$1,605 in 2015 and \$1,609 in 2014	542,417	873,277
Inventories, at lower of cost or market		
Crude oil	42,441	51,757
Materials and supplies	166,866	190,976
Prepaid expenses	114,547	77,281
Deferred income taxes	48,551	55,107
Assets held for sale	279,799	376,130
Total current assets	2,499,433	3,279,149
Property, plant and equipment, at cost less accumulated depreciation, depletion and amortization of \$9,070,951 in 2015 and \$9,503,524 in 2014	12,577,749	13,331,047
Deferred charges and other assets	72,768	62,582
Assets held for sale	14	50,960
Total assets	\$ 15,149,964	16,723,738
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current maturities of long-term debt	\$ 14,942	465,388
Accounts payable and accrued liabilities	1,715,599	2,471,897
Income taxes payable	19,913	59,054
Liabilities associated with assets held for sale	56,334	151,548
Total current liabilities	1,806,788	3,147,887

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Long-term debt, including capital lease obligation	3,264,868	2,517,669
Deferred income taxes	937,745	1,193,864
Asset retirement obligations	844,481	841,526
Deferred credits and other liabilities	429,485	441,048
Liabilities associated with assets held for sale	551	8,310
Stockholders' equity		
Cumulative Preferred Stock, par \$100, authorized 400,000 shares, none issued	—	—
Common Stock, par \$1.00, authorized 450,000,000 shares, issued 195,055,724 shares in 2015 and 195,040,149 shares in 2014	195,056	195,040
Capital in excess of par value	892,553	906,741
Retained earnings	8,515,176	8,728,032
Accumulated other comprehensive loss	(429,917)	(170,255)
Treasury stock, 22,303,782 shares of Common Stock in 2015 and 17,540,636 shares of Common Stock in 2014, at cost	(1,306,822)	(1,086,124)
Total stockholders' equity	7,866,046	8,573,434
Total liabilities and stockholders' equity	\$ 15,149,964	16,723,738

*Reclassified to conform to current presentation.

See Notes to Consolidated Financial Statements, page 7.

The Exhibit Index is on page 34.

Murphy Oil Corporation and Consolidated Subsidiaries

CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(Thousands of dollars, except per share amounts)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2015	2014	2015	2014
REVENUES				
Sales and other operating revenues	\$ 718,621	1,357,905	1,467,771	2,639,113
Gain (loss) on sale of assets	18,246	–	154,123	(4,997)
Interest and other income (loss)	1,423	(8,884)	38,143	1,305
Total revenues	738,290	1,349,021	1,660,037	2,635,421
COSTS AND EXPENSES				
Lease operating expenses	227,489	285,865	459,910	548,120
Severance and ad valorem taxes	19,043	28,893	39,834	55,219
Exploration expenses, including undeveloped lease amortization	64,959	134,812	193,693	273,278
Selling and general expenses	79,176	95,000	166,143	187,026
Depreciation, depletion and amortization	403,390	458,993	884,417	855,242
Accretion of asset retirement obligations	11,750	12,327	23,519	24,392
Interest expense	30,466	33,769	59,936	66,655
Interest capitalized	(1,823)	(5,053)	(3,208)	(13,921)
Other expense	13,931	(178)	63,612	636
Total costs and expenses				