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Murphy Oil signs four PSCs offshore Cameroon

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Murphy Oil has signed four production sharing contracts (PSCs) for offshore blocks in Cameroon, expanding the U.S. independent's existing acreage position in the country. The contracts formalise the company's entry into the new blocks and represent a material step-up in its Cameroon offshore portfolio.

Production sharing contracts are binding agreements between an operator and a host government that define how extracted hydrocarbons are split between the parties, together with the operator's work obligations and fiscal terms. The signing of four such contracts simultaneously indicates a deliberate and scaled commitment by Murphy Oil to Cameroon's offshore basin, rather than an incremental block-by-block approach.

Cameroon's offshore sector has historically attracted interest from international oil companies drawn to the geological prospectivity of the West African transform margin, which extends from the Niger Delta system westward. Murphy Oil already held offshore interests in Cameroon prior to this expansion, meaning the four new PSCs deepen an established operational relationship with the government rather than representing a first-entry position. The company will now hold a broader acreage base from which to plan exploration and appraisal drilling campaigns.

The precise block designations, working interest percentages, co-venturers, and financial commitments associated with the four PSCs were not disclosed in available reporting. Similarly, the specific work programme obligations — such as the number of committed exploration wells or seismic acquisition requirements — have not been

made public at this stage. These details typically emerge through government gazette notices, stock exchange filings, or formal operator announcements in the period following contract execution.

For the broader Cameroon offshore market, the expansion by Murphy Oil signals continued international appetite for exploration acreage along this segment of the Gulf of Guinea. Cameroon's upstream regulatory framework, administered through the national oil company SNH (Société Nationale des Hydrocarbures), has in recent years sought to attract additional investment as mature producing fields decline and the government pursues new reserve additions. A four-block PSC package of this scale, if followed by active exploration drilling, would create demand across a range of oilfield services — including seismic vessels, drilling rigs, well services, subsea equipment, and potentially early-phase production infrastructure depending on exploration outcomes.

The timing of any drilling activity under the new PSCs will depend on Murphy Oil's internal capital allocation decisions, regional rig availability, and the pace at which environmental and regulatory permitting is completed in-country. Exploration wells in West African offshore settings typically follow one to three years after PSC execution, subject to data acquisition and prospect maturation work.

Why this matters to partners and clients of Saga

The PSC signings are a formal contract milestone but exploration-phase work programmes have not yet been disclosed, so active procurement outreach is premature. Norwegian service companies with Gulf of Guinea track records should monitor Murphy Oil's upcoming work programme announcements and establish early visibility with the operator's Cameroon technical team. Relationship-building with SNH and Murphy Oil's regional procurement contacts is the appropriate action at this stage.

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- **Drilling:** Monitor Murphy Oil's exploration drilling schedule across the four new blocks; early rig-availability conversations with the operator's well planning team are warranted as prospect maturation progresses.

- **Subsea/FPSO:** Any commercial discovery on the new acreage would trigger subsea production system and potential FPSO requirements; track exploration results to position for concept-selection discussions.
- **Service:** Seismic acquisition and processing contracts are likely near-term outputs of the PSC work programmes; companies with West African offshore seismic credentials should monitor tender activity through SNH and Murphy Oil channels.
- **Pipeline:** Should exploration yield a development decision, subsea tie-back or export pipeline design work may arise; flag the acreage expansion for future opportunity tracking.

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