



News Release

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McMoRan Exploration Co. Updates Exploratory Drilling Activities at South Timbalier Block 168

NEW ORLEANS, LA, May 7, 2008 – McMoRan Exploration Co. (NYSE: MMR) today announced that it has deepened the **South Timbalier Block 168 No. 1** exploratory well to 30,964 feet. Wireline logs have indicated that the well has encountered a potential hydrocarbon bearing zone, which will be further evaluated after the well is drilled to a deeper depth. The well has been re-permitted to a proposed total depth of 33,000 feet and McMoRan plans to deepen the well to evaluate additional targets. South Timbalier Block 168 is located in 70 feet of water approximately 115 miles southwest of New Orleans. The well is the deepest well ever drilled below the mud line in the Gulf of Mexico.

The South Timbalier Block 168 No. 1 wellbore, formerly known as the Blackbeard West No. 1 ultra-deep exploratory well, was drilled to 30,067 feet by the original operator and its partners but was temporarily abandoned in August 2006 prior to reaching the objective depth. McMoRan acquired rights to this prospect in August 2007. McMoRan re-entered the well with the Rowan Gorilla IV rig on March 18, 2008 and commenced drilling new hole on April 16, 2008. McMoRan operates the well and owns a 32.3 percent working interest. Other owners include Plains Exploration & Production Company (NYSE: PXP) with a 35 percent working interest and Energy XXI (NASDAQ: EXXI) with a 20 percent working interest.

McMoRan is one of the largest acreage holders on the Shelf of the Gulf of Mexico with rights to approximately 1.5 million gross acres including 450,000 gross acres associated with the ultra-deep trend.

McMoRan Exploration Co. is an independent public company engaged in the exploration, development and production of oil and natural gas offshore in the Gulf of Mexico and onshore in the Gulf Coast area. McMoRan is also pursuing plans for the development of a multifaceted energy facility at the MEPH™, including the potential development of a facility to receive and process liquefied natural gas and store and distribute natural gas. Additional information about McMoRan and the MPEH™ project is available on its internet website “www.mcmoran.com” and at “www.mpeh.com”.

CAUTIONARY STATEMENT: *This press release contains certain forward-looking statements regarding oil and gas exploration. Accuracy of these forward-looking statements depends on assumptions about events that change over time and is thus susceptible to periodic change based on actual experience and new developments. McMoRan cautions readers that it assumes no obligation to update or publicly release any revisions to the forward-looking statements in this press release and, except to the extent required by applicable law, does not intend to update or otherwise revise these statements more frequently than quarterly. Important factors that might cause future results to differ from these forward-looking statements include: adverse conditions such as high temperature and pressure that could lead to mechanical failures or increased costs; variations in the market prices of oil and natural gas; drilling results; unanticipated fluctuations in flow rates of producing wells; oil and natural gas reserves expectations; the ability to satisfy future cash obligations and environmental costs; as well as other general exploration and development risks and hazards. These and other factors are more fully described in McMoRan’s 2007 Annual Report on Form 10-K on file with the Securities and Exchange Commission.* # # #