

Stewart Michael K  
Form 4  
July 05, 2011

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2015  
Estimated average burden hours per response... 0.5

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Stewart Michael K

(Last) (First) (Middle)

C/O MARATHON OIL CORPORATION, 5555 SAN FELIPE ROAD

(Street)

HOUSTON, TX 77056

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
MARATHON OIL CORP [MRO]

3. Date of Earliest Transaction (Month/Day/Year)  
06/30/2011

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
V.P.-Accounting and Controller

6. Individual or Joint/Group Filing (Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)			
			Code	V	Amount	(D)	Price
Marathon Oil Corporation Common Stock	06/30/2011		J <sup>(1)</sup>	7,751	A	\$ 0	29,104.952 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title Underlying (Instr. 3)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Employee Stock Option (Right to Buy)	\$ 12.758	06/30/2011		J <sup>(2)</sup>			2,334	05/28/2004 <sup>(3)</sup>	05/28/2013	Common Stock
Employee Stock Option (Right to Buy)	\$ 7.99	06/30/2011		J <sup>(2)</sup>			2,221	05/28/2006	05/28/2013	Common Stock
Stock Appreciation Right	\$ 16.805	06/30/2011		J <sup>(4)</sup>			7,200	05/26/2005 <sup>(5)</sup>	05/26/2014	Common Stock
Stock Appreciation Right	\$ 10.53	06/30/2011		J <sup>(4)</sup>			6,855	05/26/2007	05/26/2014	Common Stock
Employee Stock Option (Right to Buy)	\$ 25.835	06/30/2011		J <sup>(2)</sup>			23,400	06/10/2006 <sup>(6)</sup>	06/10/2015	Common Stock
Employee Stock Option (Right to Buy)	\$ 16.19	06/30/2011		J <sup>(2)</sup>			22,280	06/10/2008	06/10/2015	Common Stock
Employee Stock Option (Right to Buy)	\$ 37.818	06/30/2011		J <sup>(2)</sup>			13,800	06/01/2007 <sup>(7)</sup>	06/01/2016	Common Stock
Employee Stock Option (Right to Buy)	\$ 23.69	06/30/2011		J <sup>(2)</sup>			13,135	06/01/2009	06/01/2016	Common Stock
Employee Stock Option (Right to Buy)	\$ 54.36	06/30/2011		J <sup>(2)</sup>			8,400	02/27/2009 <sup>(8)</sup>	02/27/2018	Common Stock

Employee Stock Option (Right to Buy)	\$ 34.06	06/30/2011	J <sup>(2)</sup>	7,991	02/27/2011	02/27/2018	Comm Stoc
Employee Stock Option (Right to Buy)	\$ 23.82	06/30/2011	J <sup>(2)(9)</sup>	20,000	02/25/2010 <sup>(10)</sup>	02/25/2019	Comm Stoc
Employee Stock Option (Right to Buy)	\$ 14.92	06/30/2011	J <sup>(2)(9)</sup>	23,329	02/25/2011 <sup>(11)</sup>	02/25/2019	Comm Stoc
Employee Stock Option (Right to Buy)	\$ 29.17	06/30/2011	J <sup>(2)(9)</sup>	11,300	02/24/2011 <sup>(12)</sup>	02/24/2020	Comm Stoc
Employee Stock Option (Right to Buy)	\$ 18.28	06/30/2011	J <sup>(2)(9)</sup>	15,614	02/24/2011 <sup>(13)</sup>	02/24/2020	Comm Stoc
Employee Stock Option (Right to Buy)	\$ 49.18	06/30/2011	J <sup>(9)</sup>	17,000	02/23/2012 <sup>(14)</sup>	02/23/2021	Comm Stoc
Employee Stock Option (Right to Buy)	\$ 30.81	06/30/2011	J <sup>(9)</sup>	27,089	02/23/2012 <sup>(15)</sup>	02/23/2021	Comm Stoc

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Stewart Michael K C/O MARATHON OIL CORPORATION 5555 SAN FELIPE ROAD HOUSTON, TX 77056			V.P.-Accounting and Controller	

## Signatures

Yvonne R. Kunetka, Attorney-in-Fact for Michael K.  
Stewart

07/05/2011

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) In connection with the spin-off of Marathon Petroleum Corporation on June 30, 2011 by Marathon Oil Corporation ("MRO"), MRO restricted stock awards of MRO officers or employees, who continued as officers or employees of MRO immediately after the spin-off, were replaced with adjusted MRO restricted stock awards, each of which will generally preserve the value of the original award determined as of the distribution date.

(2) In connection with the spin-off of Marathon Petroleum Corporation ("MPC") on June 30, 2011 by Marathon Oil Corporation ("MRO"), outstanding MRO stock options that are vested, whether held by a current or former officer or employee of MRO or MPC were adjusted, so that the holders hold stock options to purchase both MRO common stock and MPC common stock. The MRO and MPC stock options received, when combined, will generally preserve the intrinsic value of each original stock option grant and the ratio of the exercise price to the fair market value of MRO common stock on the distribution date.

(3) Vested in cumulative installments on May 28, 2004, 2005 and 2006, respectively.

(4) In connection with the spin-off of Marathon Petroleum Corporation ("MPC") on June 30, 2011 by Marathon Oil Corporation ("MRO"), outstanding MRO vested stock appreciation rights (SARs) were replaced with both adjusted MRO SARs and MPC SARs. Both SARs, when combined, will generally preserve the intrinsic value of the original SAR grant. They will also generally preserve the ratio of exercise price to the fair market value of MRO common stock on the distribution date.

(5) Vested in cumulative installments on May 26, 2005, 2006 and 2007, respectively.

(6) Vested in cumulative installments on June 10, 2006, 2007 and 2008, respectively.

(7) Vested in cumulative installments on June 1, 2007, 2008 and 2009, respectively.

(8) Vested in cumulative installments on February 27, 2009, 2010 and 2011, respectively.

(9) In connection with the spin-off of Marathon Petroleum Corporation on June 30, 2011 by Marathon Oil Corporation ("MRO"), outstanding MRO stock options that are not vested and are held by MRO officers or employees, who continued as officers or employees of MRO immediately after the spin-off, were replaced with adjusted MRO stock options to purchase MRO common stock, which will generally preserve the intrinsic value of each original stock option grant and the ratio of the exercise price to the fair market value of MRO common stock on the distribution date.

(10) Vests in cumulative annual installments of 13,333 and 6,667 shares on February 25, 2011 and 2012, respectively.

(11) Vests in cumulative annual installments of 12,691 and 10,638 shares on February 25, 2011 and 2012, respectively.

(12) Vests in three cumulative annual installments of 3,766, 3,767 and 3,767 on February 24, 2011, 2012, and 2013, respectively.

(13) Vests in three cumulative annual installments of 3,586, 6,014 and 6,014 on February 23, 2012, 2013, and 2014, respectively.

(14) Vests in three cumulative annual installments of 5,666, 5,667 and 5,667 shares on February 24, 2011, 2012, and 2013, respectively.

(15) Vests in three cumulative annual installments of 9,029, 9,030 and 9,030 shares on February 24, 2011, 2012, and 2013, respectively.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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