

MARATHON OIL CORP
Form 4
February 21, 2006

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 *
CLARK JANET F

(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)
02/17/2006

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)
Sr. V.P. and CFO

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) | Price | | |
| COMMON STOCK | 02/17/2006 | | M | V | 7,333 A \$ 33.415 | 58,333 | D |
| COMMON STOCK | 02/17/2006 | | M | V | 7,000 A \$ 33.61 | 65,333 | D |
| COMMON STOCK | 02/17/2006 | | D | V | 4,371 D \$ 71.02 | 60,962 | D |

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

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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 and Amount of Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Stock Appreciation Right | \$ 33.61 | 02/17/2006 | | M | 7,000 | 05/26/2005 ⁽¹⁾ 05/26/2014 | COMMON STOCK |
| Employee Stock Option (Right to Buy) | \$ 33.415 | 02/17/2006 | | M ⁽²⁾ | 7,333 | 01/16/2005 ⁽³⁾ 01/16/2014 | COMMON STOCK |
| Stock Appreciation Right | \$ 33.415 | 02/17/2006 | | M ⁽²⁾ | 7,333 | 01/16/2005 ⁽³⁾ 01/16/2014 | COMMON STOCK |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------|-------|
| | Director | 10% Owner | Officer | Other |
| CLARK JANET F C/O MARATHON OIL CORPORATION 5555 SAN FELIPE ROAD HOUSTON, TX 77056 | | | Sr. V.P. and CFO | |

Signatures

By: R. J. Kolencik, Attorney-in-Fact for Janet F. Clark
02/21/2006

__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) Vests in three cumulative annual installments of 42,466, 42,467, and 42,467 shares on May 26, 2005, 2006, and 2007, respectively.

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(2) Exercise of stock option and cancellation of tandem stock appreciation right.

(3) Vests in three cumulative annual installments of 6,666, 6,667, and 6,667 shares on January 16, 2005, 2006, and 2007, 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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