

HOWARD JERRY

Form 4

June 06, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
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(Print or Type Responses)

1. Name and Address of Reporting Person *
HOWARD JERRY

(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)

06/02/2006

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title ____ Other (specify
below) below)

Sr. V.P., Corporate Affairs

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ 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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------------|---|---|---|---|--|---|---|
| COMMON STOCK | 06/02/2006 | | M | 6,433 | A \$ 47.65 55,645 | D | |
| COMMON STOCK | 06/02/2006 | | M | 23,200 | A \$ 25.515 78,845 | D | |
| COMMON STOCK | 06/02/2006 | | M | 13,633 | A \$ 33.61 92,478 | D | |
| COMMON STOCK | 06/02/2006 | | F | 2,837 | D \$ 78.35 89,641 | D | |
| COMMON STOCK | 06/02/2006 | | D | 5,849 | D \$ 78.35 83,792 | D | |

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| | | | | | | | |
|--------------|------------|---|-------|---|----------|--------|---|
| COMMON STOCK | 06/02/2006 | S | 1,200 | D | \$ 78.13 | 82,592 | D |
| COMMON STOCK | 06/02/2006 | S | 4,300 | D | \$ 78.16 | 78,292 | D |
| COMMON STOCK | 06/02/2006 | S | 1,200 | D | \$ 78.17 | 77,092 | D |
| COMMON STOCK | 06/02/2006 | S | 600 | D | \$ 78.18 | 76,492 | D |
| COMMON STOCK | 06/02/2006 | S | 2,600 | D | \$ 78.19 | 73,892 | D |
| COMMON STOCK | 06/02/2006 | S | 4,100 | D | \$ 78.2 | 69,792 | D |
| COMMON STOCK | 06/02/2006 | S | 3,300 | D | \$ 78.21 | 66,492 | D |
| COMMON STOCK | 06/02/2006 | S | 4,700 | D | \$ 78.22 | 61,792 | D |
| COMMON STOCK | 06/02/2006 | S | 3,900 | D | \$ 78.23 | 57,892 | D |
| COMMON STOCK | 06/02/2006 | S | 1,200 | D | \$ 78.24 | 56,692 | D |
| COMMON STOCK | 06/02/2006 | S | 2,900 | D | \$ 78.25 | 53,792 | D |
| COMMON STOCK | 06/02/2006 | S | 1,743 | D | \$ 78.26 | 52,049 | D |
| COMMON STOCK | 06/02/2006 | S | 2,400 | D | \$ 78.28 | 49,649 | D |
| COMMON STOCK | 06/02/2006 | S | 1,433 | D | \$ 78.34 | 48,216 | D |
| COMMON STOCK | 06/02/2006 | S | 600 | D | \$ 78.35 | 47,616 | D |
| COMMON STOCK | 06/02/2006 | S | 400 | D | \$ 78.36 | 47,216 | D |
| COMMON STOCK | 06/02/2006 | S | 2,000 | D | \$ 78.37 | 45,216 | D |
| COMMON STOCK | 06/02/2006 | S | 800 | D | \$ 78.38 | 44,416 | D |
| COMMON STOCK | 06/02/2006 | S | 1,200 | D | \$ 78.39 | 43,216 | D |

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

Persons who respond to the collection of information contained in this form are not

SEC 1474
(9-02)

required to respond unless the form
displays a currently valid OMB control
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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 Am Underlying Sec (Instr. 3 and 4) |
|---|---|---|---|---|--|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title |
| EMPLOYEE STOCK OPTION (Right to Buy) | \$ 47.65 | 06/02/2006 | | M | 6,433 | 05/25/2006 ⁽¹⁾ 05/25/2015 | COMMON STOCK |
| Stock Appreciation Right | \$ 33.61 | 06/02/2006 | | M | 13,633 | 05/26/2005 ⁽²⁾ 05/26/2014 | COMMON STOCK |
| Employee Stock Option (Right to Buy) | \$ 25.515 | 06/02/2006 | | M ⁽³⁾ | 23,200 | 05/28/2004 ⁽⁴⁾ 05/28/2013 | COMMON STOCK |
| Stock Appreciation Right | \$ 25.515 | 06/02/2006 | | M ⁽³⁾ | 23,200 | 05/28/2004 ⁽⁴⁾ 05/28/2013 | COMMON STOCK |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| HOWARD JERRY C/O MARATHON OIL CORPORATION 5555 SAN FELIPE ROAD HOUSTON, TX 77056 | | | Sr. V.P., Corporate Affairs | |

Signatures

Richard J. Kolencik, Attorney-in-Fact for Jerry
Howard 06/06/2006

____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 6,433, 6,433, and 6,434 shares on May 25, 2006, 2007, and 2008, respectively.

(2) Vests in three cumulative annual installments of 13,633, 13,633, and 13,634 shares on May 26, 2005, 2006, and 2007, respectively.

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

(4) Vests in three equal annual installments on May 28, 2004, 2005 and 2006.

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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