

CAZALOT CLARENCE P JR
Form 4
March 08, 2011

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 *
CAZALOT CLARENCE P JR

(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)
03/04/2011

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)
President and CEO

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Marathon Oil Corporation Common Stock	03/04/2011		M		520,000 A \$ 12.7575	1,083,742	D
Marathon Oil Corporation Common Stock	03/04/2011		S		269,712 D \$ 51.614 (1)	814,030	D
						51,086	I

Marathon Oil Corporation Common Stock						Grantor Retained Annuity Trust (Spouse) <u>(2)</u>
Marathon Oil Corporation Common Stock	63,448	I				By Grantor Retained Annuity Trust <u>(3)</u>

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

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(9-02)

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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount
Employee Stock Option (Right to Buy)	\$ 12.7575	03/04/2011		M	520,000	05/28/2004 ⁽⁴⁾	05/28/2013	Common Stock	520,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CAZALOT CLARENCE P JR C/O MARATHON OIL CORPORATION 5555 SAN FELIPE ROAD HOUSTON, TX 77056	X		President and CEO	

Signatures

R. J. Kolencik, Attorney-in-Fact for Clarence P.
Cazalot, Jr.

03/08/2011

__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).

- The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$51.45 to \$51.83, inclusive. The reporting person has provided to the issuer, and will provide to any security holder of the issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in footnote (1) to this Form 4.
- (1) The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$51.45 to \$51.83, inclusive. The reporting person has provided to the issuer, and will provide to any security holder of the issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in footnote (1) to this Form 4.
 - (2) These shares are held by the reporting person's spouse, as trustee of a grantor retained annuity trust, for the benefit of the reporting person's spouse and her three adult children.
 - (3) These shares are held by the reporting person, as trustee of a grantor retained annuity trust, for the benefit of himself and his three adult children.
 - (4) Vested in cumulative annual installments of 233,333, 233,333 and 233,334 shares on May 28, 2004, 2005 and 2006, respectively.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.