

MARATHON OIL CORP

Form 4

May 11, 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
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(Print or Type Responses)

1. Name and Address of Reporting Person *
SCHWIND WILLIAM F 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)

05/09/2006

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)

V.P., General Counsel and Sec.

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	05/09/2006		M	23,466 A	\$ 25.515 83,869.42	D	
COMMON STOCK	05/09/2006		S	23,466 D	\$ 81.259 60,403.42	D	
COMMON STOCK	05/09/2006		S	11,064 D	\$ 80.85 49,339.42	D	
COMMON STOCK	05/09/2006		S	7,400 D	\$ 80.79 41,939.42	D	

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
Employee Stock Option (Right to Buy)	\$ 25.515	05/09/2006		M ⁽¹⁾	23,466	05/28/2004 ⁽²⁾	05/28/2013	COMMON STOCK
Stock Appreciation Right	\$ 25.515	05/09/2006		M ⁽¹⁾	23,466	05/28/2004 ⁽²⁾	05/28/2013	COMMON STOCK

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
SCHWIND WILLIAM F JR C/O MARATHON OIL CORPORATION 5555 SAN FELIPE ROAD HOUSTON, TX 77056	V.P., General Counsel and Sec.

Signatures

By: R. J. Kolencik, Attorney-in-Fact for W. F. Schwind, Jr.

05/11/2006

____ 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) Exercise of stock option and cancellation of tandem stock appreciation right.

(2) Vests in three cumulative annual installments of 11,733, 11,733, and 11,734 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.

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