

Heminger Gary R  
 Form 4  
 July 05, 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 \*  
 Heminger Gary R

(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)  
 Executive V. P. - Downstream

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) |
|---------------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Marathon Oil Corporation Common Stock | 06/30/2011                           |  | J <sup>(1)</sup>               | 59,500 D  | \$ 0 133,452.086 <sup>(2)</sup>   | 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 of Underlying Security (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--------|--|------------------|--|
|  |  |                                      |  |                                | V   | (A)    | (D)  | Date Exercisable |  |
| Stock Appreciation Right                   | \$ 16.805  | 06/30/2011                           |  | J <sup>(3)</sup>               |   | 78,200 | 05/26/2005 <sup>(4)</sup>                                | 05/26/2014       | Common Stock                               |
| Stock Appreciation Right                   | \$ 10.53   | 06/30/2011                           |  | J <sup>(3)</sup>               |   | 74,456 | 05/26/2007   | 05/26/2014       | Common Stock                               |
| Employee Stock Option (Right to Buy)       | \$ 23.825  | 06/30/2011                           |  | J <sup>(5)</sup>               |   | 77,000 | 05/25/2006 <sup>(6)</sup>                                | 05/25/2015       | Common Stock                               |
| Employee Stock Option (Right to Buy)       | \$ 14.93   | 06/30/2011                           |  | J <sup>(5)</sup>               |   | 73,319 | 05/25/2008   | 05/25/2015       | Common Stock                               |
| Employee Stock Option (Right to Buy)       | \$ 37.818  | 06/30/2011                           |  | J <sup>(5)</sup>               |   | 75,600 | 06/01/2007 <sup>(7)</sup>                                | 06/01/2016       | Common Stock                               |
| Employee Stock Option (Right to Buy)       | \$ 23.69   | 06/30/2011                           |  | J <sup>(5)</sup>               |   | 71,959 | 06/01/2009   | 06/01/2016       | Common Stock                               |
| Employee Stock Option (Right to Buy)       | \$ 61.05   | 06/30/2011                           |  | J <sup>(5)</sup>               |   | 74,600 | 05/30/2008 <sup>(8)</sup>                                | 05/30/2017       | Common Stock                               |
| Employee Stock Option (Right to Buy)       | \$ 38.25   | 06/30/2011                           |  | J <sup>(5)</sup>               |   | 71,024 | 05/30/2010   | 05/30/2017       | Common Stock                               |
| Employee Stock Option (Right to Buy)       | \$ 54.36   | 06/30/2011                           |  | J <sup>(5)</sup>               |   | 58,000 | 02/27/2009 <sup>(9)</sup>                                | 02/27/2018       | Common Stock                               |
| Employee Stock Option                      | \$ 34.06   | 06/30/2011                           |  | J <sup>(5)</sup>               |   | 55,178 | 02/27/2011   | 02/27/2018       | Common Stock                               |



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Effective immediately after the spin-off on June 30, 2011, of Marathon Petroleum Corporation ("MPC") by Marathon Oil Corporation ("MRO"), the reporting person ceased to be an officer of Marathon Oil Corporation and became an officer of Marathon Petroleum Corporation. In connection with the spin-off, MRO restricted stock awards of MRO officers who became officers of MPC immediately after the spin-off were replaced with substitute MPC restricted stock awards, each of which will generally preserve the value of the original award as of the distribution date.

- (2) Includes dividends of 85,793 shares previously not reported pursuant to Rule 16a-11.

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.

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

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 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 exercise price to the fair market value of MRO common stock on the distribution date.

- (5) Vested in cumulative installments on May 25, 2006, 2007 and 2008, respectively.

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

- (7) Vested in cumulative installments on May 30, 2008, 2009 and 2010, respectively.

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

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 were not vested, and were held by MRO officers who became officers of MPC immediately after the spin-off, were replaced with substitute options to purchase MPC common stock. The substitute MPC options will generally preserve the intrinsic value of each original stock option grant, and also generally preserve the ratio of the exercise price to the fair market value of MRO common stock on the distribution date.

- (10) Vests in cumulative installments of 87,800 and 43,900 shares on February 25, 2011 and 2012, respectively.

- (11) Vests in cumulative installments of 83,575 and 51,784 shares on February 25, 2011 and 2012, respectively.

- (12) Vests in three cumulative annual installments of 43,433, 43,433 and 43,434 shares on February 24, 2011, 2012, and 2013, respectively.

- (13) Vests in three cumulative annual installments of 41,539, 51,245 and 51,246 shares on February 24, 2011, 2012, and 2013, respectively.

- (14) Vests in three cumulative annual installments of 33,433, 33,433 and 33,434 shares on February 23, 2012, 2013, and 2014, respectively.

- (15) Vests in three cumulative annual installments of 39,457, 39,457 and 39,458 shares on February 23, 2012, 2013, and 2014, respectively.

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