

BEHRMAN PHILIP G
Form 4
August 23, 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 *
BEHRMAN PHILIP G

(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)
08/22/2006

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. Vice Pres., WW Exploration

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 Ownership (Instr. 4)
				(A) or (D)	Price		
COMMON STOCK	08/22/2006		M	42,000	A \$ 28.12	85,390.347	D
COMMON STOCK	08/22/2006		S	2,400	D \$ 90.71	82,990.347	D
COMMON STOCK	08/22/2006		S	100	D \$ 90.72	82,890.347	D
COMMON STOCK	08/22/2006		S	100	D \$ 90.73	82,790.347	D
COMMON STOCK	08/22/2006		S	34,200	D \$ 90.75	48,590.347	D

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COMMON STOCK	08/22/2006	S	3,200	D	\$ 90.76	45,390.347	D	
COMMON STOCK	08/22/2006	S	400	D	\$ 90.79	44,990.347	D	
COMMON STOCK	08/22/2006	S	500	D	\$ 90.8	44,490.347	D	
COMMON STOCK	08/22/2006	S	1,100	D	\$ 90.81	43,390.347	D	
COMMON STOCK	08/22/2006	M	36,100	A	\$ 25.515	79,490.347	D	
COMMON STOCK	08/22/2006	D	36,100	D	\$ 90.8	43,390.347	D	
COMMON STOCK						200	I	By Family Living Trust ⁽¹⁾

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 Underlying (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
EMPLOYEE STOCK OPTION (Right to Buy)	\$ 28.12	08/22/2006		M ⁽²⁾	42,000	05/28/2003	05/28/2012	COMMON STOCK
Employee Stock Option (Right to Buy)	\$ 25.515	08/22/2006		M ⁽³⁾	36,100	05/28/2004 ⁽⁴⁾	05/28/2013	COMMON STOCK
STOCK APPRECIATION RIGHT	\$ 28.12	08/22/2006		M ⁽²⁾	42,000	05/28/2003	05/28/2012	COMMON STOCK

Stock
 Appreciation \$ 25.515 08/22/2006 M⁽³⁾ 36,100 05/28/2004⁽⁴⁾ 05/28/2013 COMM
 Right STOC

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BEHRMAN PHILIP G C/O MARATHON OIL CORPORATION 5555 SAN FELIPE ROAD HOUSTON, TX 77056			Sr. Vice Pres., WW Exploration	

Signatures

Richard J. Kolencik, Attorney-in-Fact for Philip G. Behrman	08/23/2006
<u> </u> 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).
 These shares are held in The Jacqueline L. Delany Trust, pursuant to a Trust Agreement dated May 30, 2003 between Jacqueline L. Delany, as Trustor and Joan Marie Delany, as trustee. The reporting person's mother-in-law is the beneficiary of the trust. The reporting person's spouse is the trustee of the trust and holds a remainder interest therein. The reporting person disclaims beneficial ownership of the reported securities except to the extent of his and/or his spouse's pecuniary interest therein.
- (1) Exercise of stock option and cancellation of tandem stock appreciation right.
- (2) Exercise of tandem SAR and cancellation of underlying stock option.
- (3) Exercise of tandem SAR and cancellation of underlying stock option.
- (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. 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.