Marathon Oil Provides Information on Divestitures and Acquisitions

HOUSTON, Oct. 24, 2012 (GLOBE NEWSWIRE) -- Marathon Oil Corporation (NYSE: MRO) is providing additional information on completed, announced and potential divestitures and acquisitions.

As previously announced, Marathon Oil anticipates divestitures of $1.5 billion to $3 billion over the period of 2011 through 2013 in an ongoing effort to optimize the Company's portfolio for profitable growth. To date, the Company has entered into agreements for approximately $1.1 billion in divestitures, of which more than $700 million have been completed.

Included in the $1.1 billion noted above is the pending sale of the Company's Alaska Cook Inlet assets for $375 million, subject to purchase price adjustments. This transaction is currently under review by the Federal Trade Commission and the Alaska Attorney General's office, which could impact the closing of this transaction.

In addition to these efforts, Marathon Oil has engaged in discussions with respect to a potential sale of a portion of the Company's 20 percent outside-operated interest in the Athabasca Oil Sands Project in Alberta, Canada. Given the uncertainty of such a transaction, potential proceeds have not been included in the Company's guidance of $1.5 billion to $3 billion in divestitures.

After making a substantial investment in the South Texas Eagle Ford resource play in 2011, Marathon Oil has acquired or reached agreements in principle to acquire almost 25,000 additional net acres in the core of the play at an approximate cost of $1 billion so far in 2012. The two major transactions were the acquisition of Paloma Partners II LLC, whereby the Company acquired over 17,100 net acres at a cost of $750 million, and a pending acquisition of approximately 4,300 net acres for a currently estimated $227 million, both excluding purchase price adjustments. The Paloma acquisition closed in August, while the pending transaction is expected to close in the fourth quarter 2012. The acreage in the pending acquisition overlaps Marathon Oil operated acreage, is currently producing 2,900 net barrels of oil equivalent per day (BOED) and will add 40 net drilling locations to Marathon Oil's inventory.

This is expected to bring Marathon Oil's position in the core of this liquids resource play to approximately 225,000 net acres. The Company has an additional 100,000 non-core net acres, which the Company is currently marketing for sale. The disposition of this acreage will not impact the Company's previously disclosed target of 120,000 BOED by 2016 from the Eagle Ford.

The Company will host its previously announced third quarter financial results webcast and conference call on Tuesday, Nov. 6 at 2:00 EST. The Company anticipates providing an expanded update on current operations across its resource plays and exploration prospects. The webcast is expected to last approximately 90 minutes and can be accessed at http://www.Marathonoil.com.

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This release contains forward-looking statements with respect to projected asset dispositions, the sale of the Company's Alaska assets, discussions with respect to a potential sale of a portion of the Company's 20 percent interest in the Athabasca Oil Sands Project (AOSP), an additional acquisition in the Eagle Ford resource play, marketing of 100,000 net non-core acres in the Eagle Ford resource play and production estimates for the Eagle Ford resource play. The projected asset dispositions are based on current expectations, estimates and projections and are not guarantees of future performance. Actual results may differ materially from these expectations, estimates and projections and are subject to certain risks, uncertainties and other factors, some of which are beyond the Company's control and difficult to predict. The completion of the sale of the Company's Alaska assets is subject to necessary government and regulatory approvals and customary closing conditions. The potential sale of a portion of the Company's interest in the AOSP and the potential sale of 100,000 net non-core acres in the Eagle Ford resource play are subject to successful negotiations and execution of definitive agreements. The additional acquisition in the Eagle Ford resource play is subject to execution of final agreements and to customary closing conditions. Factors that could affect the expected production in the Eagle Ford include pricing, supply and demand for liquid hydrocarbons and natural gas, the amount of capital available for exploration and development, regulatory constraints, timing of commencing production from new wells, drilling rig availability, unforeseen hazards such as weather *conditions, acts of war or terrorist acts and the governmental or military response thereto, and other geological, operating and economic considerations. The foregoing factors (among others) could cause actual results to differ materially from those set forth in the forward-looking statements. In accordance with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, Marathon Oil Corporation has included in its Annual Report on Form 10-K for the year ended December 31, 2011, and subsequent Forms 10-Q and 8-K, cautionary language identifying other important factors, though not necessarily all such factors, that could cause future outcomes to differ materially from those set forth in the forward-looking statements.*

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