**Marathon and Partners Deliver First LNG Cargo From Equatorial Guinea Train 1 LNG Project Six Months Ahead of Original Schedule**



HOUSTON, May 24 -- Marathon Oil Corporation (NYSE: MRO) and its partners announced today the delivery of the first cargo of liquefied natural gas (LNG) from their Train 1 LNG project on Bioko Island, Equatorial Guinea. The $1.5 billion project was completed on-budget and six months ahead of the original schedule of late 2007.

"Today marks a significant achievement for Marathon, the Government of Equatorial Guinea and other **Equatorial Guinea LNG** Holdings Limited (EG LNG Co) shareholders," said Clarence P. Cazalot, Jr., Marathon president and CEO. "This project will produce clean, abundant energy for world markets, as well as positive economic benefits for the people of Equatorial Guinea for decades to come. The record-setting pace of this project from inception to first delivery of LNG and the outstanding safety record we achieved during construction are the result of a shared vision and spirit of partnership amongst the shareholders. We look forward to our continued collaboration as we explore the possibility of expanding to multiple LNG trains in the future."

The first LNG cargo was delivered to the 138,000 cubic meter LNG tanker Gracilis under the terms of an agreement with BG Gas Marketing LTD (BG) to supply 3.4 million metric tons per annum (mmtpa) to BG for 17 years. This first cargo is initially destined for Lake Charles, La.; however, BG holds destination flexibility in determining where its cargos will be delivered.

"The Government of Equatorial Guinea and Sonagas join our other EG LNG Co partners in celebrating the completion and start-up of the EG LNG project," said H. E. Atanasio Ela Ntugu Nsa, Equatorial Guinea Minister of Mines, Industry and Energy. "This development is symbolic of our country's efforts to fully develop our natural resources and to create social and economic benefits for all Equatoguineans. We look forward to working with our EG LNG Co partners as we explore ways to expand these operations and continue the economic development of Equatorial Guinea."

The LNG plant is located on the northwest side of Bioko Island at Punta Europa, near Equatorial Guinea's capital city of Malabo. Approximately three trillion gross cubic feet of dry gas from the Marathon-operated Alba Field offshore Equatorial Guinea will be processed through the LNG plant.

Marathon and the other EG LNG Co shareholders commenced preliminary construction of the Train 1 project in December 2003, and completed the project ahead of schedule with an outstanding safety performance of more than eight million man hours worked without a lost time incident. Bechtel was the primary engineering, procurement and construction contractor.

The Equatorial Guinea LNG plant utilizes the **ConocoPhillips Optimized Cascade(SM) Process.** While the contracted offtake rate is 3.4 mmtpa and the offtake term is 17 years, the plant has a nameplate capacity of 3.7 mmtpa and an expected life of significantly longer than the contract period. Key plant facilities include: refrigeration systems, compressors, condensers, two LNG storage tanks and marine facilities that allow for the berthing, mooring and loading of LNG ships ranging in size from 90,000 to 160,000 cubic meters of both membrane and spherical design.

The shareholders in EG LNG Co are Marathon, which holds a 60 percent interest; Sonagas, the National Gas Company of Equatorial Guinea, with a 25 percent interest; as well as Mitsui & Co., Ltd. and Marubeni Gas Development Co., Ltd. which hold the remaining 8.5 percent and 6.5 percent interests, respectively.

During 2006, Marathon and the other EG LNG Co shareholders awarded a front end engineering and design (FEED) contract for initial work related to a potential second LNG train on Bioko Island. The scope of the FEED work for the potential 4.4 mmtpa Train 2 LNG project included feed gas conditioning, liquefaction, refrigeration, ethylene storage, boil off gas compression, product transfer to storage and LNG product metering. The FEED work was recently completed and a final investment decision is expected in 2008.

The above discussion contains forward-looking statements with respect to the purchase of LNG by BG and possible expansion of the LNG production facility. Factors that could affect the purchase of LNG by BG include unanticipated changes in market demand or supply, environmental issues, availability or construction of sufficient LNG vessels, and unforeseen hazards such as weather conditions. Factors that could affect the expansion of the LNG project and the development of additional LNG capacity through additional projects include partner approvals, access to sufficient natural gas volumes through exploration or commercial negotiations with other resource owners, and access to sufficient regasification capacity. The foregoing factors (among others) could cause actual results to differ materially from those set forth in the forward-looking statements. In accordance with "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, 2006, and in subsequent Forms 10-Q and 8-K, cautionary language identifying other factors, though not necessarily all such factors, that could cause future outcomes to differ materially from those set forth in the forward-looking statements.

SOURCE Marathon Oil Corporation