Risk Factors Comparison 2024-02-22 to 2023-02-16 Form: 10-K

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We are subject to various risks and uncertainties in the course of our business. The following summarizes significant risks and uncertainties that may adversely affect our business, financial condition or results of operations. When considering an investment in our securities, you should carefully consider the risk factors included below as well as those matters referenced in the foregoing pages under " Disclosures Regarding Forward- Looking Statements " and other information included and incorporated by reference into this Annual Report on Form 10- K. Risks Associated with Our Industry A substantial decline in crude oil and condensate, NGLs and natural gas prices would reduce our operating results and cash flows and could adversely impact the carrying value of our assets. The markets for crude oil and condensate, NGLs and natural gas have been volatile and are likely to continue to be volatile in the future, causing prices to fluctuate widely. Our revenues and operating results are highly dependent on the prices we receive for our crude oil and condensate, NGLs and natural gas. Many of the factors influencing prices of crude oil and condensate, NGLs and natural gas are beyond our control. These factors include: • worldwide and domestic supplies of and demand for crude oil and condensate, NGLs and natural gas; • the cost of exploring for, developing and producing crude oil and condensate, NGLs and natural gas; • the ability of the members of OPEC to agree to and maintain production controls; • the production levels of non- OPEC countries, including production levels in the shale plays in the United States; • the level of drilling, completion and production activities by other exploration and production companies, and variability therein, in response to market conditions; • political instability or armed conflict in oil and natural gas producing regions, such as the ongoing conflict between Russia and Ukraine **, and in the Middle East** ; • changes in weather patterns and climate; • natural disasters such as hurricanes and tornadoes; • the price and availability of alternative and competing forms of energy, such as nuclear, hydroelectric, wind and solar; • the effect of conservation efforts; • epidemics or pandemics, ~~including~~ **such as** COVID- 19; • technological advances affecting energy consumption and energy supply; • domestic and foreign governmental regulations and taxes; and • general economic conditions worldwide. The long- term effects of these and other factors on the prices of crude oil and condensate, NGLs and natural gas are uncertain. Historical declines in commodity prices have adversely affected our business by: • reducing the amount of crude oil and condensate, NGLs and natural gas that we can produce economically; • reducing our revenues, operating income and cash flows; • causing us to reduce our capital expenditures, and delay or postpone some of our capital projects; • requiring us to impair the carrying value of our assets; • reducing the standardized measure of discounted future net cash flows relating to crude oil and condensate, NGLs and natural gas; and • increasing the costs of obtaining capital, such as equity and short- and long- term debt. Estimates of crude oil and condensate, NGLs and natural gas reserves depend on many factors and assumptions, including various assumptions that are based on conditions in existence as of the dates of the estimates. Any material changes in those conditions or other factors affecting those assumptions could impair the quantity and value of our reserves. The proved reserve information included in this Annual Report on Form 10- K has been derived from engineering and geoscience estimates. Estimates of crude oil and condensate, NGLs and natural gas were prepared, in accordance with SEC regulations, by teams of reservoir engineers and geoscience professionals and were reviewed and approved by our Corporate Reserves Group. Reserves were valued based on SEC pricing for the periods ended December 31, **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , as well as other conditions in existence at those dates. ~~The table below provides the 2022 SEC pricing for certain benchmark prices: 2022 SEC PricingWTI crude oil (per bbl) $ 93. 67 Henry Hub natural gas (per mmbtu) $ 6. 36 Brent crude oil (per bbl) $ 100. 25 Mont Belvieu NGLs (per bbl) $ 36. 59~~ If commodity prices in the future average below prices used to determine proved reserves at December 31, ~~2022~~ **2023** , it could have an adverse effect on our estimates of proved reserve volumes and the value of our business. Future reserve revisions could also result from changes in capital funding, drilling plans and governmental regulation, among other things. Reserve estimation is a subjective process that involves estimating volumes to be recovered from underground accumulations of crude oil and condensate, NGLs and natural gas that cannot be directly measured. Estimates of economically producible reserves and of future net cash flows depend on a number of variable factors and assumptions, including: • location, size and shape of the accumulation, as well as fluid, rock and producing characteristics of the accumulation; • historical production from the area, compared with production from other analogous producing areas; • the assumed impacts of regulation by governmental agencies; • assumptions concerning operating costs, taxes, development costs and workover and repair costs; and • industry economic conditions, levels of cash flows from operations and other operating considerations. As a result, different petroleum engineers and geoscientists, each using industry- accepted geologic and engineering practices and scientific methods, may produce different estimates of proved reserves and future net cash flows based on the same available data. Because of the subjective nature of such reserve estimates, each of the following items may differ materially from the estimated amounts: • the amount and timing of production; • the revenues and costs associated with that production; and • the amount and timing of future development expenditures. Our operations may be adversely affected by pipeline, rail and other transportation capacity constraints. The marketability of our production depends in part on the availability, proximity and capacity of gathering and transportation pipeline facilities, rail cars, trucks and vessels. These facilities and equipment may be temporarily unavailable to us due to market conditions, regulatory reasons, mechanical reasons or other factors or conditions, and may not be available to us in the future on terms we consider acceptable, if at all. If any pipelines, rail cars, trucks or vessels become unavailable, we would, to the extent possible, be required to find a suitable alternative to transport our crude oil and condensate, NGLs and natural gas, which could increase the costs and / or reduce the revenues we might obtain from the sale of our production **. All or a portion of our production in one or more regions may be interrupted or shut in from time to time due to a loss of access**

to suitable transportation . A pipeline shutdown could also have an impact on safety because it would require the use of additional trucks, rail cars and personnel. In addition, both the cost and availability of pipelines, rail cars, trucks or vessels to transport our production could be adversely impacted by new state or federal regulations relating to transportation of ~~crude oil~~ **our products** . Any significant change in market, regulatory or other conditions affecting our access to, or the availability of, these facilities and equipment, including due to our failure or inability to obtain access to these facilities and equipment on terms acceptable to us or at all, could materially and adversely affect our business and, in turn, our financial condition and results of operations. If we acquire crude oil and natural gas properties, our failure to fully identify existing and potential problems, including title problems, to accurately estimate reserves, production rates or costs, or to effectively integrate the acquired properties into our operations could materially and adversely affect our business, financial condition and results of operations. We typically seek the acquisition of crude oil and natural gas properties and leases. For example, in December 2022, we completed the acquisition of the Eagle Ford assets of Ensign ~~Natural Resources~~ for total cash consideration of $ 3. 0 billion. Although we perform reviews of properties to be acquired in a manner that we believe is diligent and consistent with industry practices, reviews of records and properties may not necessarily reveal existing or potential problems, including title problems, nor may they permit us to become sufficiently familiar with the properties in order to fully assess possible deficiencies and potential problems **prior to closing** . Properties and leases that we acquire may be subject to prior unregistered agreements, or transfers which have not been recorded or detected through our due diligence ~~searches~~ . If title to property associated with our projects is challenged, we may have to expend funds defending any such claims and our ownership interest therein may be detrimentally affected if we lose. Even when problems with a property are identified, we often assume environmental and other risks and liabilities in connection with acquired properties pursuant to the acquisition agreements. Moreover, there are numerous uncertainties inherent in estimating quantities of crude oil, NGLs and natural gas (as previously discussed), actual future production rates and associated costs with respect to acquired properties. Actual reserves, production rates and costs may vary substantially from those assumed in our estimates. In addition, an acquisition may have a material and adverse effect on our business and results of operations, particularly during the periods in which the operations of the acquired properties are being integrated into our ongoing operations or if we are unable to effectively integrate the acquired properties into our ongoing operations. Our operations may be affected by Native American treaty, title and other rights or claims. We are, and may in the future become, subject to various laws and regulations that apply to operators and other parties operating within the boundaries of Native American reservations in the United States. These laws and regulations may result in the imposition of certain fees, taxes, environmental standards, lease conditions or requirements to employ specified contractors or service providers. Any one of these requirements, or any delay in obtaining, or inability to obtain, the approvals or permits necessary to operate within the boundaries of Native American tribal lands, could adversely impact **our** ~~the Company' s~~ operations and ability to explore and develop new and existing properties. Additionally, from time to time, disputes may arise between state or federal governments and Native American tribes regarding title to lands within the United States or questions of sovereignty between the states and Native American tribes. For example, the State of North Dakota and **the Mandan, Hidatsa and Arikara Nation or MHA Nation, also known as the** ~~three~~ **Three Affiliated Tribes of the Fort Berthold** Indian ~~tribes~~ **Reservation** (the " Three Affiliated Tribes ") represented by the Bureau of Indian Affairs, have been involved in a dispute regarding the ownership of certain lands underlying the Missouri River and Little Missouri River (the " Disputed Land ") from which we currently produce. The United States Department of the Interior (" DOI ") has addressed the United States' position with respect to this dispute several times over the past five years with conflicting opinions. Most recently, on February 4, 2022, the DOI issued an opinion (" **2022** M- Opinion ") concluding the DOI' s position that the Disputed Land is held in trust for the Three Affiliated Tribes. While the **2022** M- Opinion is binding on all agencies within the DOI, it is not legally binding on third parties, including Marathon Oil, **the State of North Dakota** or a court. Depending on the ultimate outcome of this title dispute, the Three Affiliated Tribes could challenge the validity of certain of our leases relating to a portion of the disputed land, and if such challenge were successful it could result in operational delays and additional costs, which could have a material and adverse effect on our business and results of operations. In addition, the process of addressing such claim or dispute, regardless of the outcome, could be expensive and time consuming and could result in delays which could have a material and adverse effect on our business, financial condition and results of operations. Future exploration and drilling results are uncertain and involve substantial costs **and risks** . Drilling for crude oil and condensate, NGLs and natural gas involves numerous risks, including the risk that we may not encounter commercially productive reservoirs. The costs of drilling, completing and operating wells are often uncertain, and drilling operations may be curtailed, delayed or canceled as a result of a variety of factors, including: • unexpected drilling conditions; • title problems; • pressure or irregularities in formations; • equipment failures or accidents; • inflation in exploration and drilling costs; • fires, explosions, blowouts or surface cratering; • lack of, or disruption in, access to pipelines or other transportation methods; and • shortages or delays in the availability of services or delivery of equipment. We operate in a highly competitive industry, and many of our competitors are larger and have available resources in excess of our own. The oil and gas industry is highly competitive, and many competitors, including major integrated and independent oil and gas companies, as well as national oil companies, are larger and have substantially greater resources at their disposal than we do. We compete with these companies for the acquisition of oil and natural gas leases and other properties. We also compete with these companies for equipment and personnel, including petroleum engineers, geologists, geophysicists and other specialists, required to develop and operate those properties and in the marketing of crude oil and condensate, NGLs and natural gas to end-users. Such competition can significantly increase costs and affect the availability of resources, which could provide our larger competitors a competitive advantage when acquiring equipment, leases and other properties. They may also be able to use their greater resources to attract and retain experienced personnel. We are subject to various climate- related risks, including risks related to the transition to a lower- carbon economy and physical risks resulting from climate change. The following is a summary of potential climate- related risks that could adversely affect us: Policy and Legal Risks. Policy risks include actions that seek to lessen activities that contribute to adverse effects of climate change or to promote adaptation to climate change, such as the enactment of climate change- related regulations, policies and initiatives addressing alternative energy requirements, new fuel consumption standards, energy conservation and emissions reductions measures or responsible energy development, among other measures. **These developments may reduce demand for products manufactured with, or powered by, petroleum products and the demand for, and in turn the prices of, the natural gas, crude oil, and NGLs that we sell.** Policy actions also may include restrictions or bans on oil and gas activities, like the January 2021 Presidential and Secretarial orders, and the potential banning of hydraulic fracturing, which could lead to write- downs or impairments of our assets. Legal risks include potential lawsuits claiming, among other things, failure to mitigate impacts of climate change, failure to adapt to climate change and the insufficiency of disclosure around material financial risks. For instance, government entities and other groups have filed lawsuits in several states seeking to hold a wide variety of companies that produce fossil fuels liable for the alleged impacts of the **GHG** ~~greenhouse gas~~ emissions and other alleged harm attributable to those fuels. The lawsuits allege damages as a result of ~~global warming~~ **climate change** and the plaintiffs are seeking unspecified damages and abatement under various theories. Marathon Oil has been named as a defendant in several of these lawsuits, along with numerous other companies. The increasing attention to global climate change risks has created the potential for a greater likelihood of governmental investigations and private and public litigation, which could increase our costs or otherwise adversely affect our business. Market Risks. Markets could be affected by climate change through shifts in supply and demand for certain commodities, including oil and gas and other products dependent on oil and gas. Lower demand for our oil and gas production, or lower demand for products that use oil and gas as fuel sources or increased demand for lower- emission or more efficient products and services, could result in lower prices and lower revenues **or adversely impact, among other things, the availability to us of necessary third- party services and facilities on which we rely** . Market risk also may take the form of limited access to capital as investors shift investments to industries and alternative energy industries that may be, or be perceived to be, less carbon- intensive. In addition, certain investment advisers, banks and sovereign wealth, pension and endowment funds recently have been promoting divestment of investments in fossil fuel companies and pressuring lenders to limit funding to companies engaged in the extraction, production and sale of oil and gas. Some banks and asset managers have made climate- related pledges **or guidelines** for various initiatives **or banking or investing activities** , such as stopping the financing of Arctic drilling and coal companies. **There is also a risk that financial institutions may be required to adopt policies that have the effect of reducing the funding provided to the fossil fuel sector.** These initiatives ~~by activists and banks~~ could interfere with our business activities, operations and ability to access capital. Institutional lenders who provide financing to energy companies such as ours have also become more attentive to sustainable lending practices, and some may elect not to provide traditional energy producers or companies that support such producers with funding **. Such developments could result in downward pressure on the stock prices of oil and gas companies, including ours, and may also result in the restriction, delay or cancellation of infrastructure projects and energy production activities, ultimately impacting our future financial results** . Technology Risks. Technological improvements or innovations that support the transition to a lower- carbon economic system may have a significant impact on us. The development and use of emerging technologies ~~in~~ **relating to** renewable **or alternative forms of** energy, battery storage ~~,~~ and energy efficiency may lower demand for oil and gas, resulting in lower prices and revenues. In addition, many automobile manufacturers have announced plans to shift production from internal combustion engine to electric powered vehicles, and some states and foreign countries have announced bans on sales of internal combustion engine vehicles beginning as early as 2025, which would reduce demand for oil **. Furthermore, as others within our industry use or develop new technological advances to lower emissions, we may be placed at a competitive disadvantage or may be forced by competitive pressures to implement new technologies at substantial costs. We may not be able to respond to these competitive pressures or implement new technologies on a timely basis or at an acceptable cost. If one or more of the technologies we use now or in the future were to become obsolete, our business, financial condition or results of operations could be materially and adversely affected** . Reputation Risk. Climate change is a potential source of reputational risk, which is tied to changing customer or community perceptions of an organization' s contribution to, or detraction from, the transition to a lower- carbon economy. These changing perceptions could lower demand for our oil and gas production, resulting in lower prices and lower revenues as consumers avoid carbon- intensive industries, and could also pressure banks and investment managers to shift investments and reduce lending as described above. Physical Risks. Potential physical risks resulting from climate change may be event driven (including increased severity of extreme weather events, such as hurricanes, winter storms, droughts or floods) or longer- term shifts in climate patterns that may cause sea level rise or chronic heat waves. Potential physical risks may cause **environmental or safety incidents,** direct damage to assets **,** and indirect impacts such as supply or distribution chain disruption and also could include changes in water or other raw material availability, sourcing, pricing and quality, which could impact drilling and completions operations. These physical risks could adversely affect or delay demand for oil or natural gas, cause increased costs, production disruptions and lower revenues and substantially increase the cost or limit the availability of insurance **. A decrease in energy use due to weather changes may affect our financial condition through decreased revenues. Our ability to mitigate the adverse physical impacts of climate change depends in part upon our disaster preparedness and response and business continuity planning** . Our offshore operations in E. G. involve special risks that could negatively impact us. Offshore operations present technological challenges and operating risks because of the marine environment. Activities in offshore operations may pose risks because of the physical distance to oilfield service infrastructure and service providers. Environmental remediation and other costs resulting from spills or releases may result in substantial liabilities. Risks Related to Our Business Model and Capital Structure If we are unsuccessful in acquiring or finding additional reserves, our future crude oil and condensate, NGLs and natural gas production would decline, thereby reducing our cash flows and results of operations and impairing our financial condition. The rate of production from crude oil and condensate, NGLs and natural gas properties generally decline as reserves are depleted. Except to the extent we acquire interests in additional properties containing proved reserves, conduct successful exploration and development activities, or, through engineering studies, optimize production performance or identify additional reservoirs not currently producing or secondary recovery reserves, our proved reserves may decline materially as crude oil and condensate, NGLs and natural gas are produced. Accordingly, to the extent we are not successful in replacing the crude oil and condensate, NGLs and natural gas we produce, our future revenues may decline. Creating and maintaining an inventory of prospects for future production depends on many factors, including: • obtaining rights to explore for, develop and produce crude oil and condensate, NGLs and natural gas in promising areas; • drilling success; • the ability to complete projects timely and cost effectively; • the ability to find or acquire additional proved reserves at acceptable costs; and • the ability to fund such activity. If crude oil and condensate, NGLs and natural gas prices decrease, it could adversely affect the abilities of our counterparties or joint venture partners to perform their obligations to us, which could negatively impact our financial results. We often enter into arrangements to conduct certain business operations, such as oil and gas exploration and production, or transportation of crude oil and condensate, NGLs and natural gas, with partners, co- working interest owners and other counterparties in order to share risks associated with those operations. In addition, we market our products to a variety of purchasers. If commodity prices decrease, some of our counterparties may experience liquidity problems and may not be able to meet their financial and other obligations to us. The inability of our joint venture partners or co- working interest owners to fund their portion of the costs under our joint venture agreements and joint operating agreements, or the nonperformance by purchasers, contractors or other counterparties of their obligations to us, could negatively impact our operating results and cash flows. If we are unable to complete capital projects at their expected costs and in a timely manner, or if the market conditions assumed in our project economics deteriorate, our business, financial condition, results of operations and cash flows could be materially and adversely affected. Delays or cost increases related to capital spending programs involving drilling and completion activities, engineering, procurement and construction of facilities (including improvements and repairs to our existing facilities) could adversely affect our ability to achieve forecasted internal rates of return and operating results. Delays in making required changes or upgrades to our facilities could subject us to fines or penalties as well as affect our ability to supply certain products we produce. Such delays or cost increases may arise as a result of unpredictable factors, many of which are beyond our control, including: • denial of or delay in receiving requisite regulatory approvals and / or permits; • unplanned increases in the cost of construction materials or labor; • disruptions in transportation of components or construction materials; • increased costs or operational delays resulting from shortages of water; • adverse weather conditions, natural disasters or other events (such as equipment malfunctions, explosions, fires or spills) affecting our facilities, or those of vendors or suppliers; • shortages of sufficiently skilled labor, or labor disagreements resulting in unplanned work stoppages; • market- related increases in a project' s debt or equity financing costs; and • nonperformance by, or disputes with, vendors, suppliers, contractors or subcontractors. Any one or more of these factors could have a significant impact on our capital projects. Our level of indebtedness may limit our liquidity and financial flexibility. As of December 31, ~~2022~~ **2023** , our total **long- term** debt was $ 5. ~~9~~ **0** billion, of which $ ~~402~~ **1. 6** ~~million~~ **billion** is due within the next year **. In addition, we had outstanding commercial paper of $ 450 million maturing at various dates** . Our indebtedness could have important consequences to our business, including, but not limited to, the following: • we may be more vulnerable to general adverse economic and industry conditions; • a portion of our cash flows from operating activities must be used to service our indebtedness and is not available for other purposes; • our flexibility in planning for, or reacting to, changes in our industry may be limited; • a financial covenant in our unsecured revolving credit facility (the " **Revolving** Credit Facility ") **and Term Loan Facility** stipulates that our total debt to total capitalization ratio will not exceed 65 % as of the last day of any fiscal quarter, and if exceeded, may make additional borrowings more expensive and affect our ability to plan for and react to changes in the economy and our industry; • we may be at a competitive disadvantage as compared to similar companies that have less debt; and • additional financing in the future for working capital, capital expenditures, acquisitions or development activities, general corporate or other purposes may have higher costs and more restrictive covenants. We may incur additional debt in order to fund our capital expenditures, acquisitions or development activities, or for general corporate or other purposes. A higher level of indebtedness increases the risk that our financial flexibility may deteriorate. Our ability to meet our debt obligations and service our debt depends on future performance. General economic conditions, crude oil and condensate, NGLs and natural gas prices, inflation, interest rates and financial, business and other factors will affect our operations and our future performance. Many of these factors are beyond our control and we may not be able to generate sufficient cash flow to pay the principal and interest on our debt, and future working capital, borrowings and equity financing may not be available to pay or refinance such debt. See Item 8. Financial Statements and Supplementary Data – Note ~~17~~ **14** to the consolidated financial statements for a discussion of debt obligations. Difficulty in accessing capital or a significant increase in our costs of accessing capital could adversely affect our business. A downgrade of our credit ratings or other influences, including third- party groups promoting the divestment of fossil fuel equities or pressuring financial services companies to limit or curtail activities with fossil fuel companies, could negatively impact our cost of capital and our ability to access the capital markets, increase the interest rate and fees we pay on our **commercial paper program, Revolving** Credit Facility and Term Loan Facility, and may limit or reduce credit lines with our bank counterparties. We receive credit ratings on our debt obligations from the major credit rating agencies in the United States. Due to the volatility in worldwide crude oil, NGL and natural gas prices in recent years, credit rating agencies review companies in the energy industry periodically, including us. At December 31, ~~2022~~ **2023** , our corporate credit ratings were: Standard & Poor' s Global Ratings Services BBB- (stable); Fitch Ratings BBB- (positive); and Moody' s Investor Services, Inc. Baa3 (stable). Each credit rating should be evaluated independently and is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal by the assigning rating organization from time to time. The credit rating process is contingent upon a number of factors, many of which are beyond our control. We could also be required to post letters of credit or other forms of collateral for certain contractual obligations, which could increase our costs and decrease our liquidity or letter of credit capacity under our **Revolving** Credit

Facility. Limitations on our ability to access capital could adversely impact the level of our capital spending budget, our ability to manage our debt maturities, or our flexibility to react to changing economic and business conditions. Our commodity price risk management activities may prevent us from fully benefiting from commodity price increases and may expose us to other risks, including counterparty risk. Global commodity prices are volatile. In order to mitigate commodity price volatility and increase the predictability of cash flows related to the marketing of our crude oil, NGLs and natural gas, we, from time to time, enter into crude oil, NGL and natural gas hedging arrangements with respect to a portion of our expected production. While hedging arrangements are intended to mitigate commodity price volatility, we may be prevented from fully realizing the benefits of price increases above the price levels of the derivative instruments used to manage price risk. In addition, our hedging arrangements may expose us to the risk of financial loss in certain circumstances, including instances in which the counterparties to our hedging contracts fail to perform under the contracts. See Item 7A. Quantitative and Qualitative Disclosures about Market Risk. Some of our major projects and operations are conducted jointly with other parties, which may decrease our ability to manage risk. We often enter into arrangements to conduct certain business operations, such as oil and gas exploration and production with other parties in order to share risks associated with those operations. However, these arrangements also may decrease our ability to manage risks and costs, particularly where we are not the operator. We could have limited influence over and control of the behaviors and performance of these operations. In addition, misconduct, fraud, bankruptcy, noncompliance with applicable laws and regulations or improper activities by or on behalf of one or more of our partners or co- working interest owners, or entities we have entered into arrangements with could have a significant negative impact on our business and reputation. The declaration and payment of dividends, and repurchases of our common stock, are each within the discretion of our Board of Directors and subject to certain considerations and limitations. The payment of future dividends on, and any repurchases of, our common stock are each subject to the discretion of our Board of Directors, which considers, among other factors: • cash available; • our results of operations and anticipated future results of operations; • our financial condition, including liquidity, leverage and anticipated future capital expenditures required to conduct our operations; • our operating expenses; • general business and market conditions; and • other factors our Board of Directors deems relevant. We expect to continue to pay dividends to our stockholders; however, our Board of Directors may reduce our dividend or cease declaring dividends at any time, including if it determines that our current or forecasted future cash flows provided by our operating activities (after deducting our capital expenditures and other commitments) are not sufficient to pay our desired levels of dividends to our stockholders or to pay dividends to our stockholders at all. ~~Effective~~ **In** November ~~2, 2022~~ **2023** , our Board of Directors increased our remaining share repurchase program authorization to $ 2. 5 billion, however, this program may be suspended, modified, or discontinued by the Board of Directors at any time. We can provide no assurance that we will continue to pay dividends or repurchase common stock at the current rate or at all. Any downward revision in the amount of dividends we pay to stockholders, or reduction in the pace of share repurchases, could have an adverse effect on the market price of our common stock. Regulatory Compliance and International Operations Risks We may incur substantial capital expenditures and operating costs, and our production could be adversely affected, as a result of compliance with and changes in law, regulations or requirements or initiatives, including those addressing environmental, health, safety or security or the impact of global climate change, air emissions or water management, and, as a result, our business, financial condition, results of operations and cash flows could be materially and adversely affected. Our businesses are currently subject to numerous laws, regulations, executive orders and other requirements relating to the protection of the environment, including those relating to the discharge of materials into the environment such as the flaring of natural gas, waste management, pollution prevention, **GHG** ~~greenhouse gas~~ emissions, including carbon dioxide and methane, prevention of seismicity and the protection of endangered species as well as laws, regulations and other requirements relating to public and employee safety and health and to facility security. The current administration issued a number of executive and temporary orders that address broad ranging issues including climate change, oil and gas activities on federal lands, infrastructure and environmental justice. These actions have been followed by a number of related **final rules and** regulatory proposals that are in various stages of the rulemaking process. **New rules,** ~~Amendments~~ **amendments to existing rules** or extensions along with implementation of the announced policy positions and initiatives that flow from these orders may have a material adverse impact on our business. Additionally, states in which we operate are considering proposals to address climate change or increase regulations of the oil and gas industry or impose additional regulations based on questions of sovereignty between the states and Native American tribes. We have incurred and may continue to incur capital, operating and maintenance and remediation expenditures as a result of these laws, regulations and other requirements or initiatives that are being considered or otherwise implemented. To the extent these expenditures, as with all costs, are not ultimately reflected in the prices of our products, our operating results could be adversely affected. The specific impact of these laws, regulations and other requirements may vary depending on a number of factors, including the age and location of operating facilities and production processes. We may also be required to make material expenditures to modify operations, install pollution control equipment, perform site clean- ups or curtail operations that could materially and adversely affect our business, financial condition, results of operations and cash flows. We may become subject to liabilities that we currently do not anticipate in connection with new, amended or more stringent requirements, stricter interpretations of existing requirements or the future discovery of contamination. In addition, any failure by us to comply with existing or future laws, regulations and other requirements could result in civil penalties or criminal fines and other enforcement actions against us. For example, we have received Notices of ~~Violation~~ **Violations (" NOVs ")' s** from the EPA related to **alleged** ~~allegations of~~ violations of the Clean Air Act ~~relating~~ **with respect** to our operations on the Fort Berthold Indian Reservation between 2015 and 2019. We ~~are~~ **continue to** actively ~~negotiating~~ **negotiate** a draft consent decree with the EPA and Department of Justice ~~containing certain proposed injunctive terms relating to this enforcement action~~ . The **resolution of the** enforcement action will likely include monetary sanctions **, for which we maintain an accrual of our estimate,** and implementation of both environmental mitigation projects and injunctive terms, which would increase both our development costs and operating costs.

Through the date of this filing, **we are unable to estimate the full financial impact associated with this matter, as** there exists substantial uncertainty as to the ultimate result of this matter and it is reasonably possible the result could be materially different from our **expectations and our** accrual. The ~~Biden~~ **President and his** administration ~~has~~ **have** already taken steps to address climate change, and we expect actions like these to continue, including additional orders, laws or regulations that could affect our operations. Our operations result in **GHG** ~~greenhouse gas~~ emissions. Currently, various legislative or regulatory measures to address **GHG** ~~greenhouse gas~~ emissions (including carbon dioxide, methane and nitrous oxides) are in various phases of review, discussion or implementation in the U. S. Internationally, the ~~United Nations Framework Convention on Climate Change finalized an agreement among 195 nations at the 21st Conference of the Parties in Paris with an overarching goal of preventing global temperatures from rising more than 2 degrees Celsius (the " Paris Agreement "). The~~ Paris Agreement requires signatory countries to set voluntary targets to reduce domestic **GHG** ~~greenhouse gas~~ emissions. In ~~November 2020, the U. S. withdrew from the Paris Agreement. However, in~~ February 2021, **the** President **set** ~~Biden recommitted the U. S. to the Paris Agreement along with~~ a ~~new~~ " nationally determined contribution " for U. S. GHG emissions **under the Paris Agreement** that would achieve emissions reductions of at least 50 % relative to 2005 levels by 2030. In addition, in September 2021, **the** President ~~Biden~~ publicly announced the Global Methane Pledge, a pact that aims to reduce global methane emissions at least 30 % below 2020 levels by 2030. Since its formal launch at the United Nations **26th** ~~Climate Change~~ Conference **of Parties** ~~(" COP26 ")~~, over ~~100~~ **150** countries have joined the pledge. **At** ~~Most recently, at~~ the 27th Conference of Parties ~~(" COP27 ")~~, **the** President ~~Biden~~ announced the EPA' s proposed standards to reduce methane emissions from existing oil and gas sources and agreed, in conjunction with the European Union and a number of other partner countries, to develop standards for monitoring and reporting methane emissions to help create a market for low methane- intensity natural gas. **More recently, a number of countries have taken action calling for increasing renewable energy capacity and doubling energy efficiency improvements by 2030.** Various state and local governments have also publicly committed to furthering the goals of the Paris Agreement. In addition, the **IRA** ~~$ 1 trillion legislative infrastructure package~~ passed by Congress in ~~November~~ **August** ~~2021~~ **2022** includes a number of climate- focused spending initiatives aimed at climate resilience, enhanced response and preparation for extreme weather events and clean energy and transportation investments. The IRA also provides significant funding and incentives for research and development of low- carbon energy production methods, carbon capture and other programs directed at addressing climate change **, including amendments to the Clean Air Act to impose a " waste emissions charge " on methane emissions of certain natural gas and oil sources that are already required to report under EPA' s Greenhouse Gas Reporting Program. In order to implement the program, the IRA required revisions to GHG reporting regulations for petroleum and natural gas systems (Subpart W) by 2024. In July 2023, the EPA proposed to expand the scope of the Greenhouse Gas Reporting Program for petroleum and natural gas facilities, as required by the IRA. Among other things, the proposed rule expands the emissions events that are subject to reporting requirements to include " other large release events " and applies reporting requirements to certain new sources and sectors. The rule is expected to be finalized in the spring of 2024 and become effective on January 1, 2025, in advance of the deadline for GHG reporting for 2024 (March 2025). The fee imposed under the Methane Emissions and Waste Reduction Incentive Program for 2024 would be $ 900 per ton emitted over annual methane emissions thresholds, and would increase to $ 1, 200 in 2025, and $ 1, 500 in 2026** . In addition, a number of U. S. state and regional efforts have emerged that are aimed at tracking and / or reducing GHG emissions by means of carbon taxes, policies and incentives to encourage the use of renewable energy or alternative low- carbon fuels, **the development of GHG inventories** and cap and trade programs that typically require major sources of GHG emissions, such as electric power plants, to acquire and surrender emission allowances in return for emitting those GHGs. Furthermore, many state and local leaders have intensified or stated their intent to intensify efforts to support international climate commitments and treaties. New **or existing** legislation, regulations or international agreements ~~in the future~~ could result in increased costs to operate and maintain our facilities, capital expenditures to install new emission controls at our facilities and costs to administer and manage any potential **GHG** ~~greenhouse gas~~ emissions or carbon trading or tax programs. These costs and capital expenditures could be material. Although uncertain, these developments could increase our costs, reduce the demand for crude oil and condensate, NGLs, and natural gas **, stimulate demand for alternative forms of energy that do not rely on combustion of fossil fuels, limit future development opportunities, lower the value of our reserves,** and create delays in our obtaining air pollution permits for new or modified facilities. ~~Additionally~~ **Regulations requiring the disclosure of GHG emissions and other climate- related information are also increasingly being adopted or proposed at the federal and state level. For example** , on March 21, 2022, the SEC issued a proposed rule regarding the enhancement and standardization of mandatory climate- related disclosures. The proposed rule would require registrants to include certain climate- related disclosures in their registration statements and periodic reports. Although the proposed rule' s ultimate date of effectiveness and the final form and substance of these requirements is not yet known and the ultimate scope and impact on our business is uncertain, compliance with the proposed rule, if finalized, may result in increased legal, accounting, operational, technology and financial compliance costs, make some activities more difficult, time- consuming and costly and place strain on our personnel, systems and resources **. We may also face increased litigation risks arising from climate- related disclosures required by regulations. In addition, enhanced climate disclosure requirements could accelerate the trend of certain stakeholders and lenders restricting or seeking more stringent conditions with respect to their investments in certain carbon- intensive sectors** . The potential adoption of federal, state and local legislative and regulatory initiatives related to hydraulic fracturing could result in increased compliance costs, operating restrictions or delays in the completion of oil and gas wells. Hydraulic fracturing is a commonly used process that involves injecting water, sand and small volumes of chemicals into the wellbore to fracture the hydrocarbon- bearing rock thousands of feet below the surface to facilitate higher flow of hydrocarbons into the wellbore. Our business uses this technique extensively throughout our U. S. operations. Hydraulic fracturing has been regulated at the state and local level through permitting and compliance requirements. Various state and local- level initiatives in regions with substantial shale resources have been or may be proposed or implemented to further regulate hydraulic fracturing practices, limit water withdrawals and water use, require disclosure of fracturing fluid constituents, restrict which additives may be used, or implement temporary or permanent bans on hydraulic fracturing. Increased regulation and attention given to the hydraulic fracturing process could lead to greater opposition, including litigation, to oil and gas activities using hydraulic fracturing techniques. Additional legislation or regulation could also lead to operational delays or increased operating costs in the production of crude oil and condensate, NGLs and natural gas, including from the shale plays, or could make it more difficult to perform hydraulic fracturing. The adoption of any federal, state or local laws or the implementation of regulations regarding hydraulic fracturing could potentially cause a decrease in the completion of new oil and gas wells and increased compliance costs which could increase costs of our operations and cause considerable delays in acquiring regulatory approvals to drill and complete wells. The potential adoption of federal, state and local legislative and regulatory initiatives intended to address potential induced seismic activity in the areas in which we operate could result in increased compliance costs, operating restrictions or delays in the completion of oil and gas wells. The production of oil and gas inherently involves the generation of produced water and oil and gas waste. State and federal regulatory agencies have focused on a possible connection between the operation of injection wells used for oil and gas waste disposal and seismic activity. Separate and apart from the referenced potential connection between injection wells and seismicity, concerns have been raised that hydraulic fracturing activities may be correlated to anomalous seismic events. When caused by human activity, such events are called induced seismicity. Marathon **Oil** operates produced water injection wells and contracts for disposal of oil and gas waste in injection wells operated by third parties. Additionally, Marathon **Oil** uses hydraulic fracturing techniques throughout its U. S. operations. The legal requirements related to the disposal of produced water by means of underground injection wells are subject to change based on concerns of the public or governmental authorities regarding such disposal activities. One such concern arises from recent seismic events near injection disposal wells that are used for the disposal by injection of produced water resulting from oil and natural gas activities. In 2016, the United States Geological Survey identified New Mexico, Oklahoma and Texas as being among the states with areas of increased rates of induced seismicity that could be attributed to fluid injection or oil and natural gas extraction. In response to concerns regarding induced seismicity, regulators in some states have imposed, or are considering imposing, additional requirements in the permitting and operating of produced water disposal wells. For example, in Texas, the Railroad Commission adopted rules in 2014 governing the permitting or re- permitting of wells used to dispose of produced water and other fluids resulting from the production of oil and natural gas in order to address induced seismicity concerns within the state. Among other things, these rules require companies seeking permits for disposal wells to provide seismic activity data in permit applications, provide for more frequent monitoring and reporting for certain wells and allow the state to modify, suspend or terminate permits on grounds that a disposal well is likely to be, or determined to be, causing seismic activity. Another example includes the recent Seismic Event Mitigation Plan and Protocol announced by the New Mexico Oil Conservation Division in 2021, which requires monitoring and the potential curtailments or shut- ins of salt water disposal wells located within specified distances of certain seismic events. States may issue new orders or implement policies to temporarily shut down or to curtail the injection volumes of existing wells in the vicinity of seismic events. Legislative, regulatory and policy initiatives intended to address these concerns may result in additional levels of regulation or other requirements that could lead to operational delays, increase our operating and compliance costs or otherwise adversely affect our operations. Another consequence of seismic events may be lawsuits alleging that disposal well operations have caused damage to properties or otherwise violated state and federal rules regulating waste disposal. These developments could result in additional regulation and restrictions on the use of injection wells by us or by third parties with whom we may contract to dispose of produced water. Increased regulation and attention given to induced seismicity could also lead to greater opposition, including litigation to limit or prohibit oil and natural gas activities utilizing injection wells for produced water disposal. Any one or more of these developments may result in operational delays, increase our operating and compliance costs or otherwise adversely affect our operations. Political and economic developments, possible terrorist activities and changes in law or policy in the U. S. or global markets could adversely affect our operations and materially reduce our profitability and cash flows. Local political and economic factors in U. S. and global markets could have a material adverse effect on us. We are subject to the political, geographic and economic risks and possible terrorist or piracy activities or other armed conflict attendant to doing business within or outside of the U. S. There are also many risks associated with operations in E. G. including the possibility that the government may seize our property with or without compensation, may attempt to renegotiate or revoke existing contractual arrangements or may impose additional taxes or royalty burdens. **Additionally, our international operations may be adversely affected by economic or geopolitical developments, regime changes, violence or other conflicts. Such developments could have a negative impact on our results of operations and cash flows. These developments or other international regulations or administrative impediments could adversely impact dividends or other distributions, and the timing thereof, from our equity method investees.** Changes in the U. S. or global political and economic environment or any U. S. or global hostility or the occurrence or threat of future terrorist attacks, or other armed conflict, could adversely affect the economies of the U. S. and other developed countries. A lower level of economic activity could result in a decline in energy consumption, which could cause our revenues and margins to decline and limit our future growth prospects. These risks could lead to increased volatility in prices for crude oil and condensate, NGLs and natural gas. In addition, these risks could increase instability in the financial and insurance markets and make it more difficult for us to access capital and to obtain the insurance coverage that we consider adequate. These risks could also cause damage to, or the inability to access, production facilities or other operating assets and could limit our service and equipment providers ability to deliver items necessary for us to conduct our operations. Actions of governments through tax legislation or interpretations of tax law, and other changes in law, executive order and commercial restrictions could reduce our operating profitability, both in the U. S. and abroad. The U. S. government can prevent or restrict us from doing business in foreign countries. These restrictions and those of foreign governments have in the past limited our ability to operate in, or gain access to, opportunities in various countries and will continue to do so in the future. Changes in U. S. or foreign laws could also adversely affect our results, including new regulations resulting in higher costs to comply with regulations and higher costs to transport our production by pipeline, rail car, truck or vessel or the adoption of government payment transparency regulations that could require us to disclose competitively sensitive commercial information or that could cause us to violate the non- disclosure laws of other countries. General Risks Our sector and the broader U. S. economy experienced ~~higher than expected~~ inflationary pressures in ~~2022~~ **2023** related to continued supply chain disruptions, labor shortages and geopolitical instability. Should these conditions persist, it may impact our ability to procure materials and equipment on a cost- effective basis, or at all, and, as a result, our business, results of operations and cash flows could be materially and adversely affected. Throughout ~~2022~~ **2023** , we experienced **variations** ~~significant increases~~ in the costs of certain materials, including steel, ~~sand~~ **rigs** and fuel, as a result of availability constraints, supply chain disruption, increased demand, labor shortages associated with a fully employed ~~US~~ **U. S.** labor force, inflation and other factors. ~~Though we~~ **Our budget process** ~~incorporated~~ **incorporates a forecast for** ~~inflationary factors into our 2022 business plan,~~ inflation ~~outpaced those original assumptions and~~ , **and** while we have incorporated inflationary factors into our ~~2023~~ **2024** business plan, inflation ~~may~~ **could** outpace those assumptions ~~. These challenges are due~~ in **2024** ~~large measure to increased demand for oil and gas production driven by the continued economic recovery from the COVID- 19 pandemic and more broadly, systemic underinvestment in global oil and gas development~~ . These supply and demand fundamentals have been further aggravated by disruptions in global energy supply caused by multiple geopolitical events, including the ongoing conflict between Russia and Ukraine **, and in the Middle East** . We continue to undertake actions and implement plans to strengthen our supply chain **strategy** to address ~~these~~ **market** pressures and protect the requisite access to commodities and services. Nevertheless, we expect for the foreseeable future to experience supply chain constraints and may continue to experience inflationary pressure on our cost structure. ~~These~~ **Unplanned** supply chain constraints and inflationary pressures ~~may~~ **could** continue to adversely impact our cost of operations ~~and~~ if we are unable to **mitigate these risks** ~~manage our global supply chain~~ , ~~it may~~ **and could also** impact our ability to procure materials and equipment in a timely and cost- effective manner, if at all, which could result in reduced margins and production delays and, as a result, our business, financial condition, results of operations and cash flows could be materially and adversely affected. Changes in U. S. and international tax rules and regulations, or interpretations thereof, may materially and adversely affect our cash flows, results of operations and financial condition. We are subject to income- and non- income- based taxes in the United States under federal, state, and local jurisdictions and in the foreign jurisdictions in which we operate. Tax laws, regulations and administrative practices in various jurisdictions may be subject to significant change, with or without advance notice, due to economic, political and other conditions, and significant judgment is required in evaluating and estimating our provision and accruals for these taxes. Our tax liabilities could be affected by numerous factors, such as changes in tax, accounting and other laws, regulations, administrative practices, principles and interpretations, the mix and level of earnings in a given taxing jurisdiction or our ownership or capital structure. For example, on August 16, 2022, the United States enacted the IRA, which is highly complex, subject to interpretation, and contains significant changes to U. S. tax law including, but not limited to, a 15 % corporate book minimum tax and a 1 % excise tax on stock repurchases. The U. S. Department of the Treasury and the IRS are expected to release further regulations and interpretive guidance implementing the legislation contained in the IRA **. Under current law and guidance** , **we have not been subject to the corporate book minimum tax in 2023** but **anticipate that** the **corporate book minimum** ~~details and timing of such regulations are subject to uncertainty at this time. The~~ tax **will** ~~provisions of the IRA which may~~ apply ~~to us are generally effective~~ in ~~2023~~ **2024** ~~or later and therefore~~ **. We expect the corporate book minimum** tax ~~impacts~~ to ~~us in 2022 were immaterial. However, it is possible that the enactment of changes in the U. S. corporate tax system, including in connection with the IRA, could~~ have a material effect on our consolidated cash taxes **and it is possible that the enactment of other changes in the U. S. corporate tax system could have a similar impact** in the future. Outbreaks of communicable diseases ~~, such as COVID- 19,~~ have adversely affected and may continue to adversely affect our business, financial condition and results of operations. Global or national health concerns, including a widespread outbreak of contagious disease, can, among other impacts, negatively impact the global economy, reduce demand and pricing for crude oil, NGLs and natural gas, lead to operational disruptions and limit our ability to execute on our business plan, any of which could materially and adversely affect our business, financial condition, results of operations and cash flows. Furthermore, uncertainty regarding the impact of any outbreak of contagious disease could lead to increased volatility in crude oil, NGLs and natural gas ~~prices. For example, the novel coronavirus global pandemic, known as COVID- 19, had a material adverse impact on our business, financial condition and results of operations in 2020. The early effects of COVID- 19 included a substantial decline in demand for crude oil, condensate, NGLs, natural gas and other petroleum hydrocarbons, along with a corresponding deterioration in~~ prices. While demand for crude oil, condensate, NGLs, natural gas and other petroleum hydrocarbons significantly recovered as the COVID- 19 pandemic evolved, we are unable to predict the future impact of **epidemics and outbreaks of infectious diseases such as** COVID- 19 (including the emergence, contagiousness and threat of new and different strains), ~~or a widespread outbreak of another contagious disease,~~ on overall economic activity and the demand for, and pricing of, our products. **Epidemics and outbreaks of infectious diseases such as** COVID- 19 ~~, or a widespread outbreak of another contagious disease~~ , could have a negative impact on our operations; impact the ability of our counterparties to perform their obligations; result in voluntary and involuntary curtailments, delays or cancellations of certain drilling activities; impair the quantity or value of our reserves; result in transportation and storage capacity constraints; cause shortages of key personnel, including employees, contractors and subcontractors; interrupt global supply chains; increase impairments and associated charges to our earnings; impact our cash on hand, uses of cash and cause a decrease to our financial flexibility and liquidity. In addition, the risks associated with COVID- 19 impacted, and **epidemics and outbreaks of infectious diseases such as** COVID- 19 ~~, or a widespread outbreak of another contagious disease~~ , may in the future impact our workforce and the way we meet our business objectives, and such impact may be material ~~. The extent to which the ongoing COVID- 19 pandemic will impact our business and our financial results will depend on future developments, which are highly uncertain and cannot be predicted~~ . Our business could be negatively impacted by cyberattacks targeting our computer and telecommunications systems and infrastructure or targeting those of our third- party service providers. Our business, like other companies in the oil and gas industry, has become increasingly dependent on digital technologies, including technologies that are managed by third- party service providers or other providers of goods or services to our industry on whom we directly or indirectly rely to help us collect, host or process information. Such technologies are integrated into our business operations and used as a part of our production and distribution systems in the U. S. and abroad, including those systems used to transport production to market, to enable communications and to provide a host of other support services for our business. Accordingly, our use of the internet and other public networks for communications, services and storage, including " cloud " computing, exposes us and our users to cybersecurity risks. There is no guarantee that our security measures will provide absolute security. We may not be able to anticipate, detect or prevent cyberattacks, particularly because the methodologies used by attackers change frequently or may not be recognized until launched, and because attackers are increasingly using techniques designed to circumvent controls and avoid detection. We and our third- party service providers may therefore be vulnerable to security events that are beyond our control, and we may be the target of cyber- attacks, as well as physical attacks, which could result in the unauthorized access to our information systems or data, the data of our customers and our employees or significant disruption to our business. These attacks could adversely impact our business operations, our revenue and profits, our ability to comply with legal, contractual and regulatory requirements, our reputation and goodwill, as well as result in legal risk, enforcement actions and litigation. Our information systems and related infrastructure have experienced attempted and actual instances of unauthorized access in the past, but we have not suffered any losses or breaches which had a material effect on our business, operations or reputation relating to such attacks; however, there is no assurance that we will not suffer such losses or breaches in the future. As cyberattacks continue to evolve, we may be required to expend significant additional resources to respond to cyberattacks, to continue to modify or enhance our protective measures, or to investigate and remediate any information systems and related infrastructure security vulnerabilities. Additionally, the continuing and evolving threat of cybersecurity attacks has resulted in evolving legal and compliance matters, including increased regulatory focus on prevention, which could require us to expend significant additional resources to meet such requirements. We may also be subject to regulatory investigations or litigation relating from cybersecurity issues. Our business may be materially adversely affected by negative publicity. From time to time, political and public sentiment with respect to, or impacts by, the oil and gas industry may result in adverse press coverage and other adverse public statements affecting our business. **In recent years, companies across all industries are facing increasing scrutiny from a variety of stakeholders, including investor advocacy groups, proxy advisory firms, certain institutional investors and lenders, investment funds and other influential investors and rating agencies, related to their ESG and sustainability practices. If we do not adapt to or comply with investor or other stakeholder expectations and standards on ESG matters as they continue to evolve, or if we are perceived to have not responded appropriately or quickly enough to growing concern for ESG and sustainability issues, regardless of whether there is a regulatory or legal requirement to do so, it could erode our stakeholder trust and thereby affect our brand and reputation.** Additionally, though we believe we can achieve our voluntary company targets and goals, any failure to realize or perception of failure to realize voluntary targets or long- term goals, including GHG emissions targets and other environmental objectives, could lead to adverse press coverage and other adverse public statements affecting Marathon Oil. Adverse press coverage and other adverse statements, whether or not driven by political or public sentiment, may also result in investigations by regulators, legislators and law enforcement officials or in legal claims. Our operations are subject to business interruptions and casualty losses. We do not insure against all potential losses and therefore we could be seriously harmed by unexpected liabilities and increased costs. Our United States and International operations are subject to unplanned occurrences, including blowouts, explosions, fires, loss of well control, spills, tornadoes, hurricanes and other adverse weather, tsunamis, earthquakes, volcanic eruptions or nuclear or other disasters, labor disputes and accidents. These same risks can be applied to the third parties that transport our products from our facilities. A prolonged disruption in the ability of any pipelines, rail cars, trucks or vessels to transport our production could contribute to a business interruption or increase costs. Our operations are also subject to the additional hazards of pollution, releases of toxic gas and other environmental hazards and risks. **Any of** ~~These~~ **these** hazards could result in serious personal injury or loss of human life, significant damage to property and equipment, environmental pollution, impairment of operations and substantial losses to us. Various hazards have adversely affected us in the past, and damages resulting from a catastrophic occurrence in the future involving us or any of our assets or operations may result in our being named as a defendant in one or more lawsuits asserting potentially large claims or in our being assessed potentially substantial fines by governmental authorities. We maintain insurance against many, but not all, potential losses or liabilities arising from operating hazards in amounts that we believe to be prudent. Uninsured losses and liabilities arising from operating hazards could reduce the funds available to us for capital, exploration and investment spending and could have a material adverse effect on our business, financial condition, results of operations and cash flows. Historically, we have maintained insurance coverage for physical damage including at times resulting business interruption to our major onshore and offshore facilities, with significant self- insured retentions. In the future, we may not be able to maintain or obtain insurance of the type and amount we desire at reasonable rates. As a result of market conditions, premiums and deductibles for our insurance policies will change over time and could escalate. In some instances, certain insurance could become unavailable or available only for reduced amounts of coverage. Litigation by private plaintiffs or government officials or entities could adversely affect our performance. We currently are defending litigation and anticipate that we will be required to defend new litigation in the future. The subject matter of such litigation may include releases of hazardous substances from our facilities, privacy laws, contract disputes, title disputes, royalty disputes or any other laws or regulations that apply to our operations. In some cases the plaintiff or plaintiffs seek alleged damages involving large classes of potential litigants and may allege damages relating to extended periods of time or other alleged facts and circumstances. If we are not able to successfully defend such claims, they may result in substantial liability. We do not have insurance covering all of these potential liabilities. In addition to substantial liability, litigation may also seek injunctive relief which could have an adverse effect on our future operations. For instance, government entities and other groups have filed lawsuits in several states seeking to hold a wide variety of companies that produce fossil fuels liable for the alleged impacts of the **GHG** ~~greenhouse gas~~ emissions and other alleged harm attributable to those fuels. The lawsuits allege damages as a result of global warming and the plaintiffs are seeking unspecified damages and abatement under various theories. Marathon Oil has been named as a defendant in several of these lawsuits, along with numerous other companies. Similar lawsuits may be filed in other jurisdictions ~~. Additionally, Marathon Oil has been named in various lawsuits, which could include class actions, alleging royalty underpayments in our domestic operations. We intend to vigorously defend ourselves against such claims. Although we have accrued for potential liabilities associated with these lawsuits, those accruals are based on currently available information and involve elements of judgment and significant uncertainties. Accordingly, actual losses may exceed our accruals or we could be required to accrue additional amounts in the future and these amounts could be material~~ . The ultimate outcome and impact to us cannot be predicted with certainty, and we could incur substantial legal costs associated with defending these and similar lawsuits in the future.