Marathon Petroleum Corp
Form 424B3
October 07, 2011

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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-176945

PROSPECTUS

$3,000,000,000

Marathon Petroleum Corporation

Offer to Exchange

All outstanding 3 1/2% Senior Notes Due 2016 originally issued February 1, 2011

For 3 1/2% Senior Notes Due 2016,

All outstanding 5 1/8% Senior Notes Due 2021 originally issued February 1, 2011

For 5 1/8% Senior Notes Due 2021, and

All outstanding 6 1/2% Senior Notes Due 2041 originally issued February 1, 2011

For 6 1/2% Senior Notes Due 2041

of

Marathon Petroleum Corporation

This Exchange Offer Will Expire at 5:00 P.M.,

New York City Time, on November 14, 2011

The Exchange Notes

The terms of the notes to be issued, which we refer to as the exchange notes, are substantially identical to the outstanding notes of the corresponding series that Marathon Petroleum Corporation issued on February 1, 2011, except for terms concerning transfer restrictions relating to the outstanding notes that will not apply to the exchange notes.

Interest on the exchange notes is payable in cash semi-annually in arrears on March 1 and September 1 each year, commencing on March 1, 2012.

The exchange notes will be senior, unsecured obligations of Marathon Petroleum Corporation and rank equally in right of payment to all of our existing and future unsecured, unsubordinated indebtedness, including indebtedness under our revolving credit facility, and will be structurally subordinated to the obligations of our subsidiaries.

Material Terms of the Exchange Offer

Expires at 5:00 p.m., New York City time, on November 14, 2011, unless extended.

This exchange offer is not subject to any condition other than that it must not violate applicable law or any applicable interpretation of the Staff of the Securities and Exchange Commission.

All outstanding notes that are validly tendered and not validly withdrawn will be exchanged for an equal principal amount of exchange notes which are registered under the Securities Act of 1933.

Tenders of outstanding notes may be withdrawn at any time before the expiration of the exchange offer.

Marathon Petroleum Corporation will not receive any cash proceeds from the exchange offer.

After the exchange offer has been completed, you will not have any further rights under the registration rights agreement to require us to register any outstanding notes that you do not exchange.

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act of 1933. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding notes where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, starting on the expiration date of the exchange offer and ending on the close of business 180 days after the expiration date, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale.

Please consider carefully the Risk Factors beginning on page 10 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the exchange notes to be distributed in the exchange offer, nor have any of these organizations determined that this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is October 7, 2011.

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REFERENCES TO ADDITIONAL INFORMATION

This prospectus incorporates important business and financial information about Marathon Petroleum Corporation that is not included in or delivered with this prospectus. You may obtain documents that are filed by Marathon Petroleum Corporation with the Securities and Exchange Commission, or SEC, and incorporated by reference in this prospectus without charge by requesting the documents, in writing or by telephone, from the SEC or:

Marathon Petroleum Corporation

539 South Main Street

Findlay, Ohio 45840

Attention: Investor Relations

Telephone: (419) 422-2121

If you would like to request copies of these documents, to obtain timely delivery, please do so by November 4, 2011, which is five business days before the exchange offer expires. See Where You Can Find More Information.

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MARKET AND INDUSTRY DATA

This prospectus includes estimates of industry data and forecasts that we have obtained from industry publications and surveys or internal company sources. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. We have neither independently verified any of the data from third-party sources nor ascertained the underlying economic assumptions relied upon therein. Our internal research is based on our understanding of industry conditions, and such information has not been verified by any independent sources.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference include forward-looking statements. You can identify forward-looking statements by words such as anticipate, believe, estimate, expect, forecast, goal, intend, plan, predict, project, seek, target, could, other similar expressions that convey the uncertainty of future events or outcomes. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements contained in this prospectus and in the documents incorporated by reference.

Forward-looking statements include, but are not limited to, statements that relate to, or statements that are subject to risks, contingencies or uncertainties that relate to:

- anticipated effects of restructuring or reorganization of business components in connection with the distribution of our common stock by Marathon Oil Corporation to its stockholders, referred to as the spin-off;
- future levels of revenues, refining and marketing gross margins, retail gasoline and distillate gross margins, merchandise margins, income from operations, net income or earnings per share;
- anticipated volumes of feedstock, throughput, sales or shipments of refined products;
- anticipated levels of regional, national and worldwide prices of hydrocarbons and refined products;
- anticipated levels of crude oil and refined product inventories;
- future levels of capital, environmental or maintenance expenditures and general and administrative and other expenses;
- the success or timing of completion of ongoing or anticipated capital or maintenance projects;
- expectations regarding the acquisition or divestiture of assets;
- the potential effects of judicial or other proceedings on our business, financial condition, results of operations and cash flows; and
- the anticipated effects of actions of third parties such as competitors, or federal, foreign, state or local regulatory authorities, or plaintiffs in litigation.

We have based our forward-looking statements on our current expectations, estimates and projections about our industry and our company. We caution that these statements are not guarantees of future performance and you should not rely unduly on them, as they involve risks, uncertainties, and assumptions that we cannot predict. In addition, we have based many of these forward-looking statements on assumptions about future events that may prove to be inaccurate. While our management considers these assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. Accordingly, our actual results may differ materially from the future performance that we have expressed or forecast in our

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forward-looking statements. Differences between actual results and any future performance suggested in our forward-looking statements could result from a variety of factors, including the following:

- changes in general economic, market or business conditions;
- the domestic and foreign supplies of crude oil and other feedstocks;
- the ability of the members of the Organization of Petroleum Exporting Countries, or OPEC, to agree on and to influence crude oil price and production controls;
- the domestic and foreign supplies of refined products such as gasoline, diesel fuel, jet fuel, home heating oil and petrochemicals;
- the level of foreign imports of refined products;
- refining industry overcapacity or undercapacity;
- changes in the cost or availability of third-party vessels, pipelines and other means of transportation for crude oil, other feedstocks and refined products;
- the price, availability and acceptance of alternative fuels and alternative-fuel vehicles and laws mandating such fuels or vehicles;
- fluctuations in consumer demand for refined products, including seasonal fluctuations;
- political and economic conditions in nations that consume refined products, including the United States, and in crude oil producing regions, including the Middle East, Africa and South America;
- the actions taken by our competitors, including pricing adjustments, expansion of retail activities, and the expansion and retirement of refining capacity in response to market conditions;
- changes in fuel and utility costs for our facilities;
- delay of, cancellation of or failure to implement planned capital projects and realize the benefits projected for such projects, or cost overruns associated with such projects;
- accidents or other unscheduled shutdowns affecting our refineries, machinery, pipelines or equipment, or those of our suppliers or customers;

- earthquakes, hurricanes, tornadoes, other natural disasters and irregular weather, which can unforeseeably affect the price or availability of crude oil, other feedstocks and refined products;
- acts of terrorism aimed at either our facilities or other facilities that could impair our ability to produce or transport refined products or receive feedstocks;
- legislative or regulatory action, including the introduction, enactment or modification of federal, state, municipal or foreign legislation or rulemakings, which may adversely affect our business or operations;
- rulings, judgments or settlements in litigation or other legal, tax or regulatory matters, including unexpected environmental remediation costs, in excess of any reserves or insurance coverage;
- labor and material shortages;
- the maintenance of satisfactory relationships with labor unions and joint venture partners;
- the ability and willingness of parties with whom we have material relationships to perform their obligations to us;
- changes in the credit ratings assigned to our debt securities and trade credit and changes affecting the credit markets generally; and
- the other factors described under the heading Risk Factors and in other parts of this prospectus.

We undertake no obligation to update the forward-looking statements included in this prospectus to reflect events or circumstances after the date of this prospectus, unless we are required by applicable securities laws to do so.

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SUMMARY

The following is a summary of some of the information contained or incorporated by reference in this prospectus. It does not contain all the details concerning us, the spin-off or this exchange offer, including information that may be important to you. For a more complete understanding of Marathon Petroleum Corporation and this exchange offer, and before making a decision to exchange your outstanding notes for exchange notes, we urge you to read this entire document and the documents incorporated by reference carefully, including the information under Risk Factors. Except as otherwise indicated or unless the context otherwise requires, the term notes refers collectively to outstanding notes and exchange notes and the terms MPC, the Company, we, us or our refer to Marathon Petroleum Corporation and its consolidated subsidiaries.

Marathon Petroleum Corporation

We are one of the largest petroleum product refiners, transporters and marketers in the United States. We currently own and operate six refineries, all located in the United States, with an aggregate crude oil refining capacity in excess of 1.1 million barrels per day. Our refineries supply refined products to resellers and consumers within our market areas, including the Midwest, Gulf Coast and Southeast regions of the United States. We distribute refined products to our customers through one of the largest private domestic fleets of inland petroleum product barges, one of the largest terminal operations in the United States, and a combination of MPC-owned and third-party-owned trucking and rail assets. We currently own, operate, lease or have ownership interests in approximately 9,600 miles of crude and refined product pipelines to deliver crude oil to our refineries and other locations and refined products to wholesale and retail market areas, making us one of the largest petroleum pipeline companies in the United States on the basis of total volumes delivered. We sell refined products to wholesale marketing customers and on the spot market. We sell light products at 62 owned and operated and approximately 45 other exchange/throughput terminals throughout our 18-state wholesale market area. We supply refined products to approximately 5,100 Marathon®-branded retail outlets located within our market areas, which are operated by independent dealers and jobbers. In addition, we currently sell refined products directly to consumers through approximately 1,380 convenience stores, which are owned and operated by a wholly owned subsidiary, Speedway LLC.

For the six months ended June 30, 2011, we generated revenues of approximately $38.6 billion and income from operations of approximately $2.1 billion. For the year ended December 31, 2010, we generated revenues of approximately $62.5 billion and income from operations of approximately $1.0 billion.

Our operations consist of three business segments:

- Refining and Marketing refines crude oil and other feedstocks at our six refineries in the Gulf Coast and Midwest regions of the United States and distributes refined products through various means, including barges, terminals and trucks that we own or operate. We sell refined products to wholesale marketing customers domestically and internationally, to buyers on the spot market, to our Speedway business segment and to dealers and jobbers who operate Marathon®-branded retail outlets;

- Speedway sells transportation fuels and convenience products in retail markets in the Midwest, primarily through Speedway®-branded convenience stores; and

- Pipeline Transportation transports crude oil and other feedstocks to our refineries and other locations and delivers refined products to wholesale and retail market areas, and owns, among other transportation-related assets, a majority interest in LOOP LLC, which is the owner and operator of the only deepwater oil port in the United States.

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The Spin-Off

Prior to June 30, 2011, we were a wholly owned subsidiary of Marathon Oil Corporation, which we refer to in this prospectus as Marathon Oil. On January 13, 2011, Marathon Oil announced that its board of directors authorized its management to take various actions in contemplation of the distribution of our common stock to Marathon Oil s stockholders in a spin-off transaction. Marathon Oil s board and management believed that our separation from Marathon Oil would provide various benefits to both companies, such as:

- enhancing the flexibility of the management teams in making business and operational decisions and allocating resources in accordance with strategic priorities of each company s respective businesses;
- facilitating growth;
- improving investor understanding of the separate businesses of Marathon Oil and MPC and facilitating valuation assessments for the securities of both companies, which should appeal to the respective investor bases of each of the upstream and downstream businesses; and
- enhancing the ability of each company to attract skilled employees and incentivize key employees.

To effect the spin-off, each Marathon Oil stockholder was entitled to receive one share of our common stock for every two shares of Marathon Oil common stock owned on the record date, June 27, 2011. On June 30, 2011, the spin-off was completed, making us an independent, publicly traded company, and Marathon Oil retained no ownership interest in our company. Our assets and business consist of those that, prior to the completion of the spin-off, Marathon Oil attributed to its petroleum refining, marketing and transportation operations and that were reported by Marathon Oil as its refining, marketing and transportation segment in its financial statements. We refer to petroleum refining, marketing and transportation operations as downstream petroleum operations or downstream operations.

In connection with the spin-off, we and Marathon Oil entered into certain agreements, including a separation and distribution agreement, a tax sharing agreement and an employee matters agreement, under which we and Marathon Oil are obligated to, among other things, indemnify each other against certain liabilities arising from our respective businesses.

We describe in this prospectus the business transferred to us by Marathon Oil in connection with the spin-off as if it were our business for all historical periods described. However, we are a recently formed entity. References in this document to our historical assets, liabilities, products, business or activities generally refer to the historical assets, liabilities, products, business or activities of the transferred business as it was conducted as part of Marathon Oil and its subsidiaries. Our historical financial results as part of Marathon Oil contained in this prospectus may not be indicative of our financial results in the future as an independent company or reflect what our financial results would have been had we been an independent company during the periods presented.

Corporate Information

Our company was incorporated in Delaware on November 9, 2009. The address of our principal executive offices is 539 South Main Street, Findlay, Ohio 45840-3229. Our main telephone number at that address is (419) 422-2121.

Our Competitive Strengths

High Quality Asset Base

We believe we are the largest crude oil refiner in the Midwest and the fifth largest in the United States, based on crude oil refining capacity. We currently own a six-plant refinery network with over 1.1 million barrels

per day of crude oil throughput capacity. Our refineries process a wide range of crude oils, including heavy and sour crude oils, which can be purchased at a discount to sweet crude, and produce transportation fuels such as gasoline and distillate, as well as other refined products.

Strategic Location

The geographic locations of our refineries and our extensive midstream distribution system provide us with significant strategic advantages. Located in Petroleum Administration for Defense Districts II and III, which consist of states in the Midwest and the Gulf Coast regions of the United States, our refineries have the ability to procure crude oil from a variety of supply sources, including domestic, Canadian and other foreign sources, which provides us with flexibility to optimize supply costs. For example, geographic proximity to Canadian crude oil supply sources allows our refineries to incur lower transportation costs than competitors transporting Canadian crude oil to the Gulf Coast for refining. Our refinery locations and midstream distribution system also allow us to serve a broad range of key end-user markets across the United States quickly and cost-effectively.

Attractive Growth Opportunities Through Internal Projects

We believe that we have attractive growth opportunities through internal capital projects. We recently completed a major expansion project at our Garyville, Louisiana refinery, which initially expanded the crude oil refining capacity of this refinery by 180 thousand barrels per day (mbpd) to 436 mbpd. The Garyville expansion project has enhanced our scale efficiency and our feedstock flexibility. The crude oil refining capacity of the Garyville refinery was 464 mbpd as of December 31, 2010. We are also continuing work on a currently projected $2.2 billion heavy oil upgrading and expansion project at our Detroit, Michigan refinery. When completed, the project is expected to enable the refinery to process additional heavy, sour crude oils, including Canadian bitumen blends, which will enhance our flexibility to utilize historically lower priced grades of crude oil, and is expected to increase the refinery s crude oil refining capacity by approximately 15 mbpd. The estimated project costs referenced in this paragraph exclude amounts for capitalized interest.

Extensive Midstream Distribution Networks

We believe the relative scale of our transportation and distribution assets and operations distinguishes us from other refining and marketing companies. We own one of the largest petroleum pipeline companies in the United States based on total volume delivered. We also own one of the largest private domestic fleets of inland petroleum product barges and one of the largest terminal operations in the United States, as well as trucking and rail assets. We operate this system in coordination with our refining network, which enables us to achieve synergies by transferring intermediate stocks between refineries, optimizing feedstock and raw material supplies and optimizing refined product distribution. This in turn results in economy-of-scale advantages that contribute to profitability.

Competitively Positioned Marketing Operations

We are one of the largest wholesale suppliers of gasoline and distillate to resellers within each of our market areas. We have two strong retail brands: Speedway® and Marathon®. We believe our Speedway® stores, which we operate through a wholly owned subsidiary and refer to as Speedway, comprise one of the largest chains of company-owned and operated retail gasoline and convenience stores in the Midwest and the fourth largest in the United States. The Marathon® brand is an established motor fuel brand in the Midwest and Southeast regions of the United States, and is available through approximately 5,100 branded locations in 18 states. We believe our extensive distribution system allows us to maximize the sale value of our products and minimize cost.

Established Track Record of Profitability

We have demonstrated an ability to achieve competitive financial results throughout all stages of the recent downstream business cycle. Our net income for the first six months of 2011 and 2010 and for the full calendar years of 2010, 2009 and 2008 was $1,331 million, $116 million, $623 million, $449 million and $1,215 million, respectively. We believe our business mix and business strategies position us well to continue to achieve competitive financial results.

Our Business Strategies

Pursue Growth by Expanding and Upgrading Existing Asset Base

We continually evaluate opportunities to expand our existing asset base and consider capital projects that enhance our core competitiveness in the downstream business. Our recently completed Garyville expansion project initially increased that refinery s crude oil refining capacity by approximately 180 mbpd. Our current initiatives include an upgrade project at our Detroit, Michigan refinery, which is expected to enhance our ability to process historically lower-cost heavy and sour crude oils, as well as increase the refinery s crude oil refining capacity by approximately 15 mbpd. We will continue to pursue other growth opportunities that provide an attractive long-term return on capital.

Increase Profitability Through Margin Improvement

We intend to increase the profitability of our existing assets by pursuing a number of margin improvement opportunities, including increasing our feedstock flexibility and increasing our production of more high-value end products. We intend to accomplish a portion of this enhanced feedstock flexibility by completing our expansion and upgrade project at Detroit. By refining heavier crude oil, we will be able to reduce our overall feedstock costs without sacrificing the value of our refined products.

Selectively Pursue Acquisitions

Our management team has demonstrated its ability to identify complementary assets, consummate acquisitions on favorable terms and integrate acquired assets. Our management s acquisition experience includes substantial involvement in the combination of the refining, marketing and transportation assets of Ashland, Inc., or Ashland, with those of Marathon Oil into a jointly owned business in 1998 and Marathon Oil s subsequent acquisition of Ashland s interest in 2005. We will continue to evaluate potential acquisitions, with the aim of increasing earnings while maintaining financial discipline. We may also pursue the strategic divestiture of assets from time to time, when doing so is in our best long-term interest. An example is the recent sale of our Northern-Tier Assets, as described in Management s Discussion and Analysis of Financial Condition and Results of Operations in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus. We believe that our separation from Marathon Oil enhances our ability to execute this strategy by allowing us to focus on assets that are best suited to our downstream business.

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The Exchange Offer

The Exchange Offer	We are offering to exchange our outstanding $750 million aggregate principal amount of 3 1/2% senior notes due 2016, $1,000 million aggregate principal amount of 5 1/8% senior notes due 2021 and $1,250 million aggregate principal amount of 6 1/2% senior notes due 2041, all of which we issued on February 1, 2011 in a private transaction, for $750 million aggregate principal amount of our 3 1/2% senior notes due 2016, $1,000 million aggregate principal amount of our 5 1/8% senior notes due 2021 and $1,250 million aggregate principal amount of 6 1/2% senior notes due 2041, respectively, that have been registered under the federal securities laws. You have the right to exchange your outstanding notes for exchange notes of the corresponding series with substantially identical terms except that:

- the exchange notes have been registered under the Securities Act and will not bear any legend restricting their transfer;
- the exchange notes bear a different CUSIP number from the outstanding notes; and
- the exchange notes will not be subject to the additional interest provisions of the registration rights agreement.

For your outstanding notes to be exchanged, you must properly tender them before the expiration of the exchange offer. All outstanding notes that are validly tendered and not validly withdrawn will be exchanged. We will issue the exchange notes on or promptly after the expiration of the exchange offer.

Registration Rights Agreement	We sold the outstanding notes on February 1, 2011 to a limited number of initial purchasers. At that time, we signed a registration rights agreement with the initial purchasers, which requires us to conduct this exchange offer. This exchange offer is generally intended to satisfy our obligations in that regard under the registration rights agreement. After the exchange offer has been completed, you will not have any further rights under the registration rights agreement to require us to register any outstanding notes that you do not exchange.
If You Fail to Exchange Your Outstanding Notes	If you do not exchange your outstanding notes for exchange notes in the exchange offer, you will continue to be subject to the restrictions on transfer provided in the outstanding notes and indenture governing those notes. In general, you may not offer or sell your outstanding notes unless they are registered under the federal securities laws or are sold in a transaction exempt from or not subject to the registration requirements of the federal securities laws and applicable state securities laws.

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Expiration Date

The exchange offer will expire at 5:00 p.m., New York City time, on November 14, 2011, unless we decide to extend the expiration date. See The Exchange Offer Expiration Date; Extensions; Amendments.

Conditions to the Exchange Offer

The exchange offer is subject to customary conditions that we may waive. The exchange offer is not conditioned upon any minimum amount of outstanding notes being tendered for exchange. See The Exchange Offer Conditions to the Exchange Offer.

We reserve the right, subject to applicable law, at any time and from time to time, but before the expiration of the exchange offer:

- to terminate the exchange offer if specified conditions have not been satisfied;
- to extend the expiration date of the exchange offer and retain all tendered outstanding notes subject to the right of tendering holders to withdraw their tender of outstanding notes; and
- to waive any condition or otherwise amend the terms of the exchange offer in any respect. See The Exchange Offer Expiration Date; Extensions; Amendments.

Procedure for Tendering Notes

If you wish to tender your outstanding notes for exchange, you must:

- complete and sign the enclosed letter of transmittal by following the related instructions; and
- send the letter of transmittal, as directed in the instructions, together with any other required documents, to the exchange agent, either (1) with the outstanding notes to be tendered or (2) in compliance with the specified procedures for guaranteed delivery of the outstanding notes.

Brokers, dealers, commercial banks, trust companies and other nominees may also effect tenders by book-entry transfer.

Please do not send your letter of transmittal or certificates representing your outstanding notes to us. Those documents should be sent only to the exchange agent. Questions regarding how to tender and requests for information should be directed to the exchange agent. See The Exchange Offer Exchange Agent.

Special Procedures for Beneficial Owners

If your outstanding notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, we urge you to contact that person promptly if you wish to tender your outstanding notes pursuant to the exchange offer. See The Exchange Offer Procedure for Tendering Notes.

Withdrawal Rights

You may withdraw the tender of your outstanding notes at any time before the expiration date of the exchange offer by delivering a written notice of your withdrawal to the exchange agent. You must also follow the withdrawal procedures as described under the heading The Exchange Offer Withdrawal of Tenders.

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U.S. Federal Income Tax Considerations

The exchange of outstanding notes for the exchange notes in the exchange offer should not be a taxable event for U.S. federal income tax purposes. See U.S. Federal Income Tax Consequences of the Exchange Offer.

Resale of Exchange Notes

We believe that you will be able to offer for resale, resell or otherwise transfer exchange notes issued in the exchange offer without compliance with the registration and prospectus delivery provisions of the federal securities laws, provided that:

- you are acquiring the exchange notes in the ordinary course of business;
- you are not engaged in, and do not intend to engage in, a distribution of the exchange notes;
- you do not have any arrangement or understanding with any person to participate in the distribution of the exchange notes;
- you are not a broker-dealer tendering outstanding notes acquired directly from us for your own account;
- you are not one of our affiliates, as defined in Rule 405 of the Securities Act; and
- you are not prohibited by law or any policy of the SEC from participating in the exchange offer.

Our belief is based on interpretations by the Staff of the SEC, as set forth in no-action letters issued to third parties unrelated to us. The Staff has not considered this exchange offer in the context of a no-action letter, and we cannot assure you that the Staff would make a similar determination with respect to this exchange offer.

If our belief is not accurate and you transfer an exchange note without delivering a prospectus meeting the requirements of the federal securities laws or without an exemption from these laws, you may incur liability under the federal securities laws. We do not and will not assume or indemnify you against this liability.

Each broker-dealer that receives exchange notes for its own account in exchange for outstanding notes that were acquired by such broker-dealer as a result of market-making or other trading activities must agree to deliver a prospectus meeting the requirements of the federal securities laws in connection with any resale of the exchange notes. See The Exchange Offer Resale of the Exchange Notes.

Exchange Agent

The exchange agent for the exchange offer is The Bank of New York Mellon Trust Company, N.A. The address, telephone number and facsimile number of the exchange agent are set forth in The Exchange Offer Exchange Agent and in the letter of transmittal.

See The Exchange Offer for more detailed information concerning the exchange offer.

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The Exchange Notes

For a more complete description of the terms of the exchange notes, see Description of Notes.

Exchange Notes $750 million aggregate principal amount of 3 1/2% senior notes due 2016,
$1,000 million aggregate principal amount of 5 1/8% senior notes due 2021 and

$1,250 million aggregate principal amount of 6 1/2% senior notes due 2041.

Maturity Dates March 1, 2016 for the 3 1/2% senior notes due 2016
March 1, 2021 for the 5 1/8% senior notes due 2021

March 1, 2041 for the 6 1/2% senior notes due 2041

Interest Payment Dates The exchange notes will bear interest at the per annum rates indicated above, payable semi-annually in cash, in arrears on September 1 and March 1 of each year, commencing on March 1, 2012.

Ranking The notes will be our unsecured, unsubordinated senior obligations and will not be guaranteed by any of our subsidiaries and will not be guaranteed by Marathon Oil. Accordingly, the notes will:

be effectively subordinated to all of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness;

rank equally in right of payment with all of our existing and future unsecured, unsubordinated indebtedness liabilities and other obligations;

rank senior in right of payment to all of our existing and future indebtedness that expressly provides for its subordination to the exchange notes; and

be structurally subordinated to all of the existing and future indebtedness and other liabilities of our subsidiaries.

Certain Covenants The indenture governing the notes contains certain covenants that, among other things, limit our ability, and the ability of our subsidiaries, to create or permit to exist mortgages or other liens on our principal properties, enter into sale and leaseback transactions with respect to our principal properties or merge or consolidate with another company or sell all or substantially all of our assets and will require us to provide certain information to the Trustee and holders of the notes. These covenants are subject to important exceptions and qualifications as described under Description of Notes Certain Covenants.

Optional Redemption	The notes of each series will be redeemable in whole at any time or in part from time to time, at our option, prior to the maturity date, in the

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case of the 2016 notes and the 2021 notes, and prior to September 1, 2040 (six months prior to their maturity date), in the case of the 2041 notes, at a redemption price equal to the greater of:

- 100% of the principal amount of the notes of that series to be redeemed; or

- the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the then current Treasury Rate plus 25 basis points for the 2016 notes, 30 basis points for the 2021 notes and 35 basis points for the 2041 notes.

If the 2041 notes are redeemed on or after September 1, 2040 (six months prior to their maturity date), we will pay a redemption price equal to 100% of the principal amount of the notes redeemed. See Description of Notes Optional Redemption.

Change of Control Offer

If we experience a change in control of our company, we must give holders of the notes the opportunity to sell us their notes at 101% of their face amount, plus accrued and unpaid interest to the repurchase date, if any. For more details, you should read Description of Notes Repurchase at the Option of Holders on Certain Changes of Control.

Use of Proceeds

We will not receive any cash proceeds from the issuance of the exchange notes.

No Guarantee of the Notes

The exchange notes will not be guaranteed. Prior to the completion of the spin-off, each series of outstanding notes was guaranteed on a senior unsecured basis by Marathon Oil. Upon completion of the spin-off as of June 30, 2011, each Marathon Oil guarantee was automatically and unconditionally released and discharged in accordance with its terms, and the Trustee and the holders of the outstanding notes were deemed to have consented to such release without any action on the part of the Trustee or any holder of the notes.

Open Market Purchases

MPC or any of its affiliates may at any time and from time to time purchase notes in the open market in privately negotiated transactions or otherwise.

Risk Factors

See Risk Factors and other information in this prospectus for a discussion of the factors you should carefully consider before deciding whether to exchange any outstanding notes.

RISK FACTORS

In addition to the other information included or incorporated by reference in this prospectus, including the risk factors included in Part I, Item 1A. Risk Factors in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus, and other documents filed with the SEC by us, you should carefully consider the following risks before exchanging your outstanding notes. See Incorporation by Reference and Cautionary Statement Concerning Forward-Looking Statements. Some of these risks relate principally to this exchange offer or our spin-off from Marathon Oil, while others relate principally to our business and the industry in which we operate.

We are subject to certain risks and hazards due to the nature of the business activities we conduct. The risks discussed below, any of which could materially and adversely affect our business, financial condition, cash flows, performance and results of operations, are not the only risks we face. We may experience additional risks and uncertainties not currently known to us; or, as a result of developments occurring in the future, conditions that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, cash flows, performance and results of operations. In any such case, you may lose all or a part of your original investment and not realize any return you may have expected thereon.

Risks Related to this Offering

Changes in our credit ratings may adversely affect the value of the notes.

The ratings assigned to the notes could be lowered, suspended or withdrawn entirely by the rating agencies if, in each rating agency s judgment, circumstances warrant. Actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under further review for a downgrade, could affect the market value of the notes.

The indenture does not restrict the amount of additional debt that we may incur.

The notes and the indenture governing the notes do not place any limitation on the amount of unsecured debt that we may incur. Our incurrence of additional debt may have important consequences for you as a holder of the notes, including making it more difficult for us to satisfy our obligations with respect to the notes, a loss in the market value of your notes and a risk that the credit rating of the notes is lowered or withdrawn.

We are a holding company and depend on dividends and other distributions from our respective subsidiaries.

MPC is a holding company with limited direct operations. Our principal assets are the equity interests that we hold in our subsidiaries. As a result, we depend on dividends and other distributions from our subsidiaries to generate the funds necessary to meet our financial obligations, including the payment of principal and interest on our outstanding indebtedness. Our subsidiaries are legally distinct from us and have no obligation to pay amounts due on our indebtedness or to make funds available for such payment. In addition, our subsidiaries will be permitted under the terms of the indenture governing the notes to incur additional indebtedness that may restrict or prohibit the making of distributions, the payment of dividends or the making of loans by such subsidiaries to us. We cannot assure you that the agreements governing the current and future indebtedness of our subsidiaries will permit our subsidiaries to provide us with sufficient dividends, distributions or loans to fund payments on the notes when due.

Neither MPC nor any subsidiary of MPC has any property that has been determined to be a principal property under the indenture.

The indenture governing the notes includes covenants that, among other things, limit our ability and the ability of our subsidiaries to create or permit to exist mortgages and other liens and enter into sale and leaseback

transactions with respect to principal properties. However, as of the date of this prospectus, neither MPC nor any subsidiary of MPC has any property that MPC s board of directors has determined to be a principal property under the indenture.

The Marathon Oil guarantees terminated upon completion of the spin-off.

The notes were guaranteed on a senior unsecured basis by Marathon Oil prior to the spin-off. However, the Marathon Oil guarantees terminated upon the completion of the spin-off on June 30, 2011. Concurrently with the termination of the Marathon Oil guarantees, Marathon Oil s obligations under the registration rights agreement also terminated. Accordingly, in making a decision with respect to exchanging your outstanding notes, you should analyze our business, financial condition, cash flows, performance and results of operations separately from and should not place any reliance on the business, financial condition, cash flows, performance and results of operations of Marathon Oil.

We may not be able to purchase the notes upon a Change of Control Repurchase Event.

Holders of the notes may require us to purchase their notes upon a change of control repurchase event as defined under Description of Notes Repurchase at the Option of Holders on Certain Changes of Control. We cannot assure you that we will have sufficient financial resources, or will be able to arrange sufficient financing, to pay the purchase price of the notes, particularly if a change of control event triggers a similar repurchase requirement for, or results in the acceleration of, our other then-existing debt. Our failure to purchase the notes as required under the indenture governing the notes would result in a default under the indenture, which could have material adverse consequences for us and the holders of the notes.

The change of control offer covenant is limited to the transactions specified in Description of Notes Repurchase at the Option of Holders on Certain Changes of Control. We could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a change of control under the notes, but that could increase the amount of indebtedness outstanding at such time or otherwise materially adversely affect our capital structure or credit ratings.

There is currently no market for the exchange notes, and an active trading market may not develop for the exchange notes.

Prior to this exchange offer, there has been no public market for the exchange notes. The exchange notes are a new class of securities that have never been traded. We cannot assure you that an active trading market for the exchange notes will develop or, if one does develop, that it will be sustained. Also, it is possible that the market for the exchange notes will be volatile. This volatility in price may affect your ability to resell your exchange notes or the timing of their sale.

If you do not exchange your outstanding notes, you may have difficulty in transferring them at a later time.

We will issue exchange notes in exchange for the outstanding notes after the exchange agent receives your outstanding notes, the letter of transmittal and all related documents. You should allow adequate time for delivery if you choose to tender your outstanding notes for exchange. Outstanding notes that are not exchanged will remain subject to restrictions on transfer and will not have rights to registration.

If you do participate in the exchange offer for the purpose of participating in the distribution of the exchange notes, you must comply with the registration and prospectus delivery requirements of the Securities Act for any resale transaction. Each broker-dealer who holds outstanding notes for its own account due to market-making or other trading activities and who receives exchange notes for its own account must acknowledge that it will deliver a prospectus in connection with any resale of the exchange notes. If any outstanding notes are not tendered in the exchange or are tendered but not accepted, the trading market for such outstanding notes could be negatively affected due to the limited amount expected to remain outstanding following the completion of the exchange offer.

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Risks Relating to the Spin-Off

We may not realize the potential benefits from the spin-off.

We may not realize the potential benefits that we expect from our spin-off from Marathon Oil. We have described those anticipated benefits elsewhere in this prospectus. See Summary The Spin-Off. See also The Spin-Off Reasons for the Spin-Off in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus. In addition, we incurred significant costs, including those described below, which may exceed our estimates, and we may incur some negative effects from our separation from Marathon Oil, including loss of access to the financial, managerial and professional resources from which we have benefited in the past.

Our historical combined, consolidated and pro forma financial information are not necessarily indicative of our future financial condition, future results of operations or future cash flows nor do they reflect what our financial condition, results of operations or cash flows would have been as an independent public company during the periods presented.

The historical combined and consolidated financial information we have included and incorporated by reference in this prospectus does not necessarily reflect what our financial condition, results of operations or cash flows would have been as an independent public company during the periods presented and is not necessarily indicative of our future financial condition, future results of operations or future cash flows. This is primarily a result of the following factors:

- our historical combined and consolidated financial results reflect allocations of expenses for services historically provided by Marathon Oil, and those allocations may be significantly lower than the comparable expenses we would have incurred as an independent company;

- our working capital requirements historically have been satisfied as part of Marathon Oil s corporate-wide cash management programs, and our cost of debt and other capital may be significantly different from that reflected in our historical combined and consolidated financial statements;

- the historical combined and consolidated financial information may not fully reflect the increased costs associated with being an independent public company, including significant changes that occurred in our cost structure, management, financing arrangements and business operations as a result of our spin-off from Marathon Oil, including all the costs related to being an independent public company; and

- the historical combined and consolidated financial information may not fully reflect the effects of certain liabilities that will be incurred or assumed by our company and may not fully reflect the effects of certain assets that were transferred to, and liabilities that were assumed by, Marathon Oil.

The pro forma adjustments are based on available information and assumptions that we believe are reasonable; however, our assumptions may prove not to be accurate. In addition, our unaudited pro forma consolidated financial information does not give effect to the sale of the Northern-Tier Assets and may not give effect to various ongoing additional costs that we may incur in connection with being an independent public company. Accordingly, our unaudited pro forma consolidated financial information does not necessarily reflect what our financial condition, results of operations or cash flows would have been as an independent public company and are not necessarily indicative of our future financial condition or future results of operations. Please refer to Unaudited Pro Forma Condensed Consolidated Financial Data and the notes to those statements included in this prospectus, and our historical combined and consolidated financial statements and the notes to those statements included in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, and in our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2011, both of which are incorporated by reference into this prospectus.

We have no history operating as an independent public company. We incurred significant costs to create the corporate infrastructure necessary to operate as an independent public company, and we will continue to experience increased ongoing costs in connection with being an independent public company.

We have historically used Marathon Oil s corporate infrastructure to support our business functions, including information technology systems. The expenses related to establishing and maintaining this infrastructure were spread among all of the Marathon Oil businesses. With the completion of the spin-off, we no longer have access to Marathon Oil s infrastructure, and we have established our own infrastructure, which resulted in the incurrence of significant costs.

Marathon Oil performed many important corporate functions for us, including some information technology, treasury, tax administration, accounting, financial reporting, human resources services, incentive compensation, legal and other services. Prior to the completion of the spin-off, we paid Marathon Oil for many of these services on a cost-allocation basis. Marathon Oil will continue to provide some of these services to us on a transitional basis for a period of up to one year following the completion of the spin-off on June 30, 2011, pursuant to a transition services agreement we have entered into with Marathon Oil. For more information regarding the transition services agreement, see Relationship with Marathon Oil After the Spin-Off Agreements Between Marathon Oil and Us Transition Services Agreement in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus. However, we cannot assure you that all these functions will be successfully executed by Marathon Oil during the transition period or that we will not have to expend significant efforts or costs materially in excess of those estimated in the transition services agreement. Any interruption in these services could have a material adverse effect on our financial condition, results of operation and cash flows. In addition, at the end of this transition period, we will need to perform these functions ourselves or hire third parties to perform these functions on our behalf. The costs associated with performing or outsourcing these functions may exceed the amounts reflected in our historical combined and consolidated financial statements or that we have agreed to pay Marathon Oil during the transition period. A significant increase in the costs of performing or outsourcing these functions could materially and adversely affect our business, financial condition, results of operations and cash flows.

We are subject to continuing contingent liabilities of Marathon Oil.

Although the spin-off has occurred, there are several significant areas where the liabilities of Marathon Oil may become our obligations. For example, under the Internal Revenue Code of 1986, as amended, or the Code, and the related rules and regulations, each corporation that was a member of the Marathon Oil consolidated tax reporting group during any taxable period or portion of any taxable period ending on or before the effective time of the spin-off is jointly and severally liable for the federal income tax liability of the entire Marathon Oil consolidated tax reporting group for that taxable period. In connection with the spin-off, we entered into a tax sharing agreement with Marathon Oil that allocates the responsibility for prior period taxes of the Marathon Oil consolidated tax reporting group between us and Marathon Oil. See Relationship with Marathon Oil After the Spin-Off Agreements Between Marathon Oil and Us Tax Sharing Agreement in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus. However, if Marathon Oil is unable to pay any prior period taxes for which it is responsible, we could be required to pay the entire amount of such taxes. Other provisions of federal law establish similar liability for other matters, including laws governing tax-qualified pension plans as well as other contingent liabilities.

If the spin-off does not qualify as a tax-free transaction, Marathon Oil and its stockholders could be subject to material amounts of taxes and, in certain circumstances, our company could be required to indemnify Marathon Oil for material taxes pursuant to indemnification obligations under the tax sharing agreement.

Marathon Oil has received a private letter ruling from the Internal Revenue Service, or the IRS, to the effect that, among other things, the distribution of shares of MPC common stock in the spin-off qualifies as tax-free to

Marathon Oil, us and Marathon Oil stockholders for U.S. federal income tax purposes under Sections 355 and 368(a) and related provisions of the Code. If the factual assumptions or representations made in the private letter ruling request are inaccurate or incomplete in any material respect, then Marathon Oil will not be able to rely on the ruling. Furthermore, the IRS does not rule on whether a distribution such as the spin-off satisfies certain requirements necessary to obtain tax-free treatment under Section 355 of the Code. Rather, the private letter ruling was based on representations by Marathon Oil that those requirements have been satisfied, and any inaccuracy in those representations could invalidate the ruling.

The spin-off was also conditioned on Marathon Oil s receipt of an opinion of Bingham McCutchen LLP, special tax counsel to Marathon Oil (or other nationally recognized tax counsel), in form and substance satisfactory to Marathon Oil, that the distribution of shares of MPC common stock in the spin-off will qualify as tax-free to us, Marathon Oil and Marathon Oil stockholders for U.S. federal income tax purposes under Sections 355 and 368(a) and related provisions of the Code, and that certain internal restructuring transactions in connection with the spin-off generally are and will continue to be tax-free to us, Marathon Oil and other members of the Marathon Oil consolidated tax reporting group. The opinion addressed the principal matters upon which the IRS has not ruled and relied on the private letter ruling as to matters covered by the private letter ruling. The opinion relied on, among other things, the continuing validity of the private letter ruling and various assumptions and representations as to factual matters made by Marathon Oil and us which, if inaccurate or incomplete in any material respect, would jeopardize the conclusions reached by such counsel in the opinion. The opinion is not binding on the IRS or the courts, and there can be no assurance that the IRS or the courts will not challenge the qualification of the spin-off as a transaction under Sections 355 and 368(a) of the Code or that any such challenge would not prevail.

Neither we nor Marathon Oil is aware of any facts or circumstances that would cause the assumptions or representations that were relied on in the private letter ruling or in the opinion of counsel to be inaccurate or incomplete in any material respect. If, notwithstanding receipt of the private letter ruling and opinion of counsel, the spin-off were determined not to qualify under Section 355 of the Code, each U.S. holder of Marathon Oil common stock who received shares of our common stock in the spin-off would generally be treated as having received a taxable distribution of property in an amount equal to the fair market value of the shares of our common stock received. That distribution would be taxable to each such stockholder as a dividend to the extent of Marathon Oil s current and accumulated earnings and profits. For each such stockholder, any amount that exceeded Marathon Oil s earnings and profits would be treated first as a non-taxable return of capital to the extent of such stockholder s tax basis in its shares of Marathon Oil stock with any remaining amount being taxed as a capital gain. Marathon Oil would be subject to tax as if it had sold its shares of common stock of our company in a taxable sale for their fair market value and would recognize taxable gain in an amount equal to the excess of the fair market value of such shares over its tax basis in such shares. See The Spin-Off Material U.S. Federal Income Tax Consequences of the Spin-Off in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus.

With respect to taxes and other liabilities that could be imposed on Marathon Oil in connection with the spin-off (and certain related transactions) as a result of a final determination that is inconsistent with the anticipated tax consequences, as set forth in the private letter ruling, under the terms of the tax sharing agreement we have entered into with Marathon Oil, we will be liable to Marathon Oil for any such taxes or liabilities attributable to actions taken by or with respect to us, any of our affiliates, or any person that, after the spin-off, is an affiliate thereof. See Relationship with Marathon Oil After the Spin-Off Agreements Between Marathon Oil and Us Tax Sharing Agreement in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus. We may be similarly liable if we breach specified representations or covenants set forth in the tax sharing agreement. If we are required to indemnify Marathon Oil for taxes incurred as a result of the spin-off (or certain related transactions) being taxable to Marathon Oil, it would have a material adverse effect on our business, financial condition, results of operations and cash flows.

Potential liabilities associated with certain assumed obligations under the tax sharing agreement cannot be precisely quantified at this time.

Under the tax sharing agreement we entered into with Marathon Oil, following the spin-off we are responsible generally for all taxes attributable to us or any of our subsidiaries, whether accruing before, on or after the spin-off. We also agreed to be responsible for, and indemnify Marathon Oil with respect to, all taxes arising as a result of the spin-off (or certain internal restructuring transactions) failing to qualify as transactions under Sections 368(a) and 355 of the Code for U.S. federal income tax purposes (which could result, for example, from a merger or other transaction involving an acquisition of our stock) to the extent such tax liability arises as a result of any breach of any representation, warranty, covenant or other obligation by us or certain affiliates made in connection with the issuance of the tax opinion or the private letter ruling relating to the spin-off or in the tax sharing agreement. As described above, such tax liability would be calculated as though Marathon Oil (or its affiliate) had sold its shares of common stock of our company in a taxable sale for their fair market value, and Marathon Oil (or its affiliate) would recognize taxable gain in an amount equal to the excess of the fair market value of such shares over its tax basis in such shares. That tax liability could have a material adverse effect on our company. In addition, we agreed to indemnify Marathon Oil for specified tax-related liabilities associated with the 2005 transaction in which we acquired the minority interest in our refining joint venture from Ashland. Our indemnification obligations to Marathon Oil and its subsidiaries, officers and directors are not limited in amount or subject to any cap. If we are required to indemnify Marathon Oil and its subsidiaries and their respective officers and directors under the circumstances set forth in the tax sharing agreement, we may be subject to substantial liabilities. At this time, we cannot precisely quantify the amount of these liabilities that have been assumed pursuant to the tax sharing agreement and there can be no assurances as to their final amounts. See Relationship with Marathon Oil After the Spin-Off Agreements Between Marathon Oil and Us Tax Sharing Agreement in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus.

We may not be able to engage in desirable strategic or capital raising transactions for two years following the spin-off. In addition, under some circumstances, we could be liable for any adverse tax consequences resulting from engaging in significant strategic or capital raising transactions.

Even if the spin-off s status as a tax-free distribution under Section 355 of the Code is never successfully challenged, the spin-off may result in significant U.S. federal income tax liabilities to Marathon Oil under applicable provisions of the Code if 50% or more of Marathon Oil s stock or our stock (in each case, by vote or value) is treated as having been acquired, directly or indirectly, by one or more persons as part of a plan (or series of related transactions) that includes the spin-off. Under those provisions, any acquisitions of Marathon Oil stock or our stock (or similar acquisitions), or any understanding, arrangement or substantial negotiations regarding an acquisition of Marathon Oil stock or our stock (or similar acquisitions), within two years before or after the spin-off are subject to special scrutiny. The process for determining whether an acquisition triggering those provisions has occurred is complex, inherently factual and subject to interpretation of the facts and circumstances of a particular case. If a direct or indirect acquisition of Marathon Oil stock or our stock resulted in a change in control as contemplated by those provisions, Marathon Oil (but not its stockholders) would recognize taxable gain. Under the tax sharing agreement, there are restrictions on our ability to take actions that could cause the separation to fail to qualify as a tax-free distribution, and we are required to indemnify Marathon Oil against any such tax liabilities attributable to actions taken by or with respect to us or any of our affiliates, or any person that, after the spin-off, is an affiliate thereof. We may be similarly liable if we breach certain other representations or covenants set forth in the tax sharing agreement. See Relationship with Marathon Oil After the Spin-Off Agreements Between Marathon Oil and Us Tax Sharing Agreement in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus. As a result of the foregoing, we may be unable to engage in strategic or capital raising transactions that our stockholders might consider favorable, or to structure potential transactions in the manner most favorable to us, without adverse tax consequences, if at all.

Indemnification liabilities to Marathon Oil pursuant to the separation and distribution agreement could materially and adversely affect our business, financial condition, results of operations and cash flows.

In connection with the spin-off, we entered into a separation and distribution agreement with Marathon Oil that provides for, among other things, the principal corporate transactions that were required to effect the spin-off, certain conditions to the spin-off and provisions governing the relationship between our company and Marathon Oil with respect to and resulting from the spin-off. For a description of the separation and distribution agreement, see Relationship with Marathon Oil After the Spin-Off Agreements Between Marathon Oil and Us Separation and Distribution Agreement in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus. Among other things, the separation and distribution agreement provides for indemnification obligations designed to make us financially responsible for substantially all liabilities that may exist relating to our downstream business activities, whether incurred prior to or after the spin-off, as well as those obligations of Marathon Oil assumed by us pursuant to the separation and distribution agreement. If we are required to indemnify Marathon Oil under the circumstances set forth in the separation and distribution agreement, we may be subject to substantial liabilities.

In connection with our separation from Marathon Oil, Marathon Oil will indemnify us for certain liabilities. However, there can be no assurance that the indemnity will be sufficient to insure us against the full amount of such liabilities, or that Marathon Oil s ability to satisfy its indemnification obligation will not be impaired in the future.

Pursuant to the separation and distribution agreement, Marathon Oil agreed to indemnify us for certain liabilities. However, third parties could seek to hold us responsible for any of the liabilities that Marathon Oil agreed to retain, and there can be no assurance that the indemnity from Marathon Oil will be sufficient to protect us against the full amount of such liabilities, or that Marathon Oil will be able to fully satisfy its indemnification obligations. Moreover, even if we ultimately succeed in recovering from Marathon Oil any amounts for which we are held liable, we may be temporarily required to bear these losses ourselves. If Marathon Oil is unable to satisfy its indemnification obligations, the underlying liabilities could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Additionally, Marathon Oil s insurers may deny coverage to us for liabilities associated with occurrences prior to the spin-off. Even if we ultimately succeed in recovering from such insurance providers, we may be required to temporarily bear such loss of coverage.

Our accounting and other management systems and resources may not be adequately prepared to meet the financial reporting and other requirements to which we are subject following the spin-off. If we are unable to achieve and maintain effective internal controls, our business, financial condition, results of operations and cash flows could be materially adversely affected.

Our financial results previously were included within the consolidated results of Marathon Oil, and we believe that our reporting and control systems were appropriate for those of subsidiaries of a public company. However, we were not directly subject to the reporting and other requirements of the Exchange Act. As a result of the spin-off, we will be directly subject to reporting and other obligations under the Exchange Act, including the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, which will require, beginning with the filing of our Annual Report on Form 10-K for the year ending December 31, 2011, annual management assessments of the effectiveness of our internal control over financial reporting and a report by our independent registered public accounting firm addressing these assessments. These reporting and other obligations will place significant demands on our management and administrative and operational resources, including accounting resources. To comply with these requirements, we anticipate that we will need to upgrade our systems, including information technology, implement additional financial and management controls, reporting systems and procedures and hire additional accounting and finance staff. We expect to incur additional annual expenses related to these steps, and those expenses may be significant. If we are unable to upgrade our financial and management controls, reporting systems, information technology and procedures in a timely and effective fashion, our ability to comply with our

financial reporting requirements and other rules that apply to reporting companies under the Exchange Act could be impaired. Any failure to achieve and maintain effective internal controls could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We have substantial debt obligations that could restrict our business, financial condition, results of operations or cash flows and the separation of our business from Marathon s upstream business may lead to an increase in the overall cost of debt funding and a decrease in the overall debt capacity and commercial credit available to the combined businesses. Also, our business, financial condition, results of operations and cash flows could be harmed by a deterioration of our credit profile or by factors adversely affecting the credit markets generally.

As a result of the completion of the spin-off, we must finance our company s capital needs on a stand-alone basis. In anticipation of the spin-off, on February 1, 2011, we completed the offering of $3.0 billion in aggregate principal amount of outstanding notes. Immediately following the spin-off, our total combined indebtedness for borrowed money and capital lease obligations was approximately $3.274 billion. We may also incur substantial additional indebtedness in the future.

Our indebtedness may impose various restrictions and covenants on us that could have material adverse consequences, including:

- increasing our vulnerability to changing economic, regulatory and industry conditions;
- limiting our ability to compete and our flexibility in planning for, or reacting to, changes in our business and the industry;
- limiting our ability to pay dividends to our stockholders;
- limiting our ability to borrow additional funds; and
- requiring us to dedicate a substantial portion of our cash flow from operations to payments on our debt, thereby reducing funds available for working capital, capital expenditures, acquisitions and other purposes.

Our board of directors and management do not expect that the spin-off will improve access to debt markets or commercial credit, particularly for us. As integration has enhanced Marathon Oil s scale and diversity of operations, given the countercyclical nature of upstream and downstream operations, the separation of the two businesses may lead to an increase in the overall cost of debt funding and a decrease in overall debt and commercial credit capacity, including credit extended by third-party suppliers. Nonetheless, our board of directors and management believe that the spin-off should not reduce our financing alternatives in a manner that would outweigh the other benefits of the spin-off.

In addition, a deterioration in our credit profile could increase our costs of borrowing money and limit our access to the capital markets and commercial credit, which could materially adversely affect our business, financial condition, results of operations and cash flows.

During the past three years, the credit markets and the financial services industry experienced a period of unprecedented turmoil and upheaval characterized by the bankruptcy, failure, collapse or sale of various financial institutions and an unprecedented level of intervention from the United States federal government. These circumstances and events led to reduced credit availability, tighter lending standards and higher interest rates on loans. While we cannot predict the future conditions of the credit markets, future turmoil in the credit markets could have a material adverse effect on our business, liquidity, financial condition and cash flows, particularly if our ability to borrow money from lenders or access the capital markets to finance our operations were to be impaired.

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We may have received better terms from unaffiliated third parties than the terms we receive in our agreements with Marathon Oil.

The agreements we entered into with Marathon Oil in connection with the spin-off, including the separation and distribution agreement, tax sharing agreement, employee matters agreement and transition services agreement, were negotiated in the context of the spin-off while we were still a wholly owned subsidiary of Marathon Oil. Accordingly, during the period in which the terms of those agreements were negotiated, we did not have an independent board of directors or a management team that was independent of Marathon Oil. As a result, the terms of those agreements may not reflect terms that would have resulted from arm s-length negotiations between unaffiliated third parties. The terms of the agreements we negotiated in the context of the spin-off related to, among other things, the allocation of assets, liabilities, rights and other obligations between Marathon Oil and us. Arm s-length negotiations between Marathon Oil and an unaffiliated third party in another form of transaction, such as a buyer in a sale of a business transaction, may have resulted in more favorable terms to the unaffiliated third party. *See* Relationship with Marathon Oil After the Spin-Off Agreements Between Marathon Oil and Us in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus.

Several members of our board of directors and management may have actual or potential conflicts of interest because of their ownership of shares of common stock of Marathon Oil.

Several members of our board of directors and management own common stock of Marathon Oil and/or options to purchase common stock of Marathon Oil because of their prior relationships with Marathon Oil, which could create, or appear to create, potential conflicts of interest when our directors and executive officers are faced with decisions that could have different implications for our company and Marathon Oil. See Management in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus.

Risks Relating to Our Industry and Our Business

A substantial or extended decline in refining and marketing gross margins would reduce our operating results and cash flows and could materially adversely impact our future rate of growth and the carrying value of our assets.

Refining and marketing gross margins fluctuate widely. Our revenues, operating results, cash flows and future rate of growth are highly dependent on the margins we realize on our refined products. Our cost of producing refined products is influenced by a number of conditions, including the price of crude oil. We do not produce crude oil and must purchase all the crude oil we refine, and the price of that crude oil fluctuates due to a variety of worldwide market conditions. Generally, an increase or decrease in the price of crude oil affects our cost to produce gasoline and other refined products. However, the prices for crude oil and prices for our refined products can fluctuate in different directions based on global market conditions. In addition, the timing of the relative movement of the prices (both among different classes of refined products and among various global markets for similar refined products) as well as the overall change in refined product prices, can reduce profit margins. Historically, the markets for refined products have been volatile and may continue to be volatile in the future. Many of the factors influencing refining and marketing gross margins are beyond our control. These factors include:

- worldwide and domestic supplies of and demand for crude oil and refined products;
- the cost of crude oil to be manufactured into refined products;
- utilization rates of refineries;
- natural gas and electricity supply costs incurred by refineries;
- the ability of the members of the Organization of Petroleum Exporting Countries to agree to and maintain production controls;

political instability or armed conflict in oil and natural gas producing regions;

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- local weather conditions;
- natural disasters such as hurricanes and tornados;
- the price and availability of alternative and competing forms of energy;
- domestic and foreign governmental regulations and taxes; and
- local, regional, national and worldwide economic conditions.

Some of these factors can vary by region and may change quickly, adding to market volatility, while others may have long-term effects. The long-term effects of these and other factors on refining and marketing gross margins are uncertain.

We purchase our refinery feedstocks weeks before refining and selling the refined products. Price level changes during the period between purchasing feedstocks and selling the refined products from these feedstocks could have a significant effect on our financial results. We also purchase refined products manufactured by others for sale to our customers. Price level changes during the periods between purchasing and selling those refined products also could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Lower refining and marketing gross margins may reduce the amount of refined product that we produce, which may reduce our revenues, operating income and cash flows. Significant reductions in refining and marketing gross margins could require us to reduce our capital expenditures or impair the carrying value of our assets.

The availability of crude oil and increases in crude oil prices may reduce our refining, marketing and transportation profitability and refining and marketing gross margins.

The profitability of our operations depends largely on the difference between the cost of crude oil and other feedstocks that we refine and the selling prices we obtain for refined products. A significant portion of our crude oil is purchased from various foreign national oil companies, producing companies and trading companies, including suppliers from the Middle East. These purchases are subject to political, geographic and economic risks attendant to doing business with suppliers located in that area of the world. Our overall profitability could be materially adversely affected by the availability of supply and rising crude oil and other feedstock prices that we do not recover in the marketplace. Refining and marketing gross margins historically have been volatile and vary with the level of economic activity in the various marketing areas, the regulatory climate, logistical capabilities and the available supply of refined products. Our overall profitability could be materially adversely affected by factors that affect those margins, such as rising refined product prices that we are not able to recover in the retail marketplace.

Changes in environmental or other laws or regulations may reduce our refining and marketing gross margins.

Various environmental, safety, health, security, marketing and pricing laws and regulations have imposed, and are expected to continue to impose, increasingly stringent and costly requirements on our operations, which may reduce our refining and marketing gross margins. Environmental laws and regulations, in particular, are subject to frequent change, and many of them have become and will continue to become more stringent.

We believe it is likely that the scientific and political attention to issues concerning the extent of, causes of, and responsibility for climate change will continue, with the potential for further laws and regulations that could affect our operations. Currently, various legislative and regulatory measures to address greenhouse gas emissions (including carbon dioxide, methane and nitrous oxides) are in various phases of review, discussion or implementation in the United States. These include proposed federal legislation and state actions to develop statewide or regional programs, each of which could impose reductions in greenhouse gas emissions. These

actions could result in increased (1) costs to operate and maintain our facilities, (2) capital expenditures to install new emission controls on our facilities and (3) costs to administer and manage any potential greenhouse gas emissions regulations or carbon trading or tax programs. Although uncertain, these developments could increase our costs, reduce the demand for the products we sell and create delays in our obtaining air pollution permits for new or modified facilities.

Renewable fuels mandates have reduced and likely will further reduce demand for refined products. Tax incentives and other subsidies have made renewable fuels more competitive with refined products than they otherwise would have been, which may have reduced and may further reduce refined product margins and their ability to compete with renewable fuels. In 2007, the U.S. Congress passed the Energy Independence and Security Act, or EISA, which, among other things, sets a target of 35 miles per gallon for the combined fleet of cars and light trucks in the United States by model year 2020, and contains a multiple-part Renewable Fuel Standard, commonly referred to as RFS2. The RFS2 was 9.0 billion gallons of renewable fuel in 2008, and will increase to 36.0 billion gallons in 2022. In the near term, the RFS2 will be satisfied primarily with fuel ethanol blended into gasoline. The RFS2 presents production and logistics challenges for both the fuel ethanol and petroleum refining industries. The RFS2 has required, and may in the future continue to require, additional capital expenditures or expenses by us to accommodate increased fuel ethanol use. Within the overall 36.0 billion gallon RFS2, EISA establishes an advanced biofuel RFS2 that begins with 0.95 billion gallons in 2010 and increases to 21.0 billion gallons in 2022. Subsets within the advanced biofuel RFS2 include 1.15 billion gallons of biomass-based diesel in 2010 (due to combining the 2009 and 2010 volumes), which is capped at 1.0 billion gallons beginning in 2012, and 0.1 billion gallons of cellulosic biofuel in 2010, increasing to 16.0 billion gallons by 2022. The advanced biofuels programs will present specific challenges in that we may have to enter into arrangements with other parties to meet our obligations to use advanced biofuels, including biomass-based diesel and cellulosic biofuel, with potentially uncertain supplies of these new fuels. There will be compliance costs and uncertainties regarding how we will comply with the various requirements contained in this law and related regulations. We may experience a decrease in demand for refined petroleum products due to an increase in combined fleet mileage or due to refined petroleum products being replaced by renewable fuels.

Our operations and those of our predecessors could expose us to civil claims by third parties for alleged liability resulting from contamination of the environment or personal injuries caused by releases of crude oil, motor fuel and other substances. For example, we have been, and presently are, a defendant in lawsuits involving products liability and other claims related to alleged contamination of groundwater with the gasoline oxygenate methyl tertiary butyl ether, or MTBE. We may become involved in further litigation or other proceedings, or we may be held responsible in existing or future litigation or proceedings, the costs of which could materially and adversely affect our business, financial condition, results of operations and cash flows.

We have in the past operated retail marketing sites with underground storage tanks, or USTs, in various jurisdictions, and are currently operating retail marketing sites that have USTs in numerous states in the United States. Federal and state regulations and legislation govern the USTs, and compliance with those requirements can be costly. The operation of USTs also poses certain other risks, including damages associated with soil and groundwater contamination. Leaks from USTs which may occur at one or more of our retail marketing sites, or which may have occurred at our previously operated retail marketing sites, may impact soil or groundwater and could result in substantial cleanup costs, fines or civil liability for us. The discovery of additional contamination or the imposition of additional cleanup obligations at these or other sites in the future could result in significant additional costs.

We have in the past and will continue to dispose of various wastes at lawful disposal sites. Environmental laws including the Comprehensive Environmental Response, Compensation, and Liability Act, or CERCLA, and similar state laws can impose liability for the entire cost of cleanup on any responsible party, without regard to negligence or fault, and impose liability on us for the conduct of others or conditions others have caused, or for our acts that complied with all applicable requirements when we performed them. See Business Environmental Matters and Legal Proceedings in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus.

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If foreign ownership of our stock exceeds certain levels, we could be prohibited from operating inland river vessels, which could materially and adversely affect our business, financial condition, results of operations and cash flows.

We are subject to a variety of U.S. federal statutes and regulations, including the Shipping Act of 1916, as amended, and the Merchant Marine Act of 1920, as amended, that govern the ownership and operation of certain vessels used to carry cargo between U.S. ports, which we refer to collectively as the Maritime Laws. Generally, the Maritime Laws require that vessels engaged in U.S. coastwise trade, and corporations operating such vessels, must be owned by U.S. citizens. Although our certificate of incorporation contains provisions intended to assure compliance with these provisions of the Maritime Laws, if we fail to maintain compliance we would be prohibited from operating vessels in the U.S. inland waters during any period in which we did not comply with these regulations. Such a prohibition could materially and adversely affect our business, financial condition, results of operations 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 engineering, procurement and construction of facilities (including the upgrading and expansion of our Detroit refinery and improvements and repairs to our other facilities) could materially 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;
- 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 ongoing capital projects, including the upgrading and expansion of our Detroit refinery. If we were unable to make up the delays associated with such factors or to recover the related costs, or if market conditions change, it could materially and adversely affect our business, financial condition, results of operations and cash flows.

We will continue to incur substantial capital expenditures and operating costs as a result of compliance with, and changes in, environmental, health, safety and security laws and regulations, and, as a result, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

Our businesses are subject to numerous laws, regulations and other requirements relating to the protection of the environment, including those relating to the discharge of materials into the environment, waste management, pollution prevention, greenhouse gas emissions, and characteristics and composition of gasoline and diesel fuels, as well as laws and regulations relating to public and employee safety and health

and to facility security. We have incurred and will continue to incur substantial capital, operating and maintenance, and remediation expenditures as a result of these laws and regulations. To the extent these expenditures, as with all costs, are not ultimately reflected in the prices of our products and services, our operating results will be adversely affected.

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The specific impact of these laws and regulations on us and our competitors may vary depending on a number of factors, including the age and location of operating facilities, marketing areas, crude oil and feedstock sources, and production processes. We may also be required to make expenditures to modify operations, install pollution control equipment, perform site cleanups 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 or regulations could result in civil penalties or criminal fines and other sanctions and enforcement actions against us.

Legislation or regulatory activity that impacts or could impact our operations includes, among others:

- In 2009, the U.S. Environmental Protection Agency, or the EPA, issued a finding that greenhouse gas emissions contribute to air pollution that endangers public health and welfare. Related to the endangerment finding, in April 2010, the EPA finalized a greenhouse gas emission standard for mobile sources (cars and other light duty vehicles). The endangerment finding, along with the mobile source standard and EPA s determination that greenhouse gases are subject to regulation under the U.S. Clean Air Act, as amended, or the Clean Air Act, will lead to widespread regulation of stationary sources of greenhouse gas emissions. The EPA has issued a so-called tailoring rule to limit the applicability of the EPA s major permitting programs to larger sources of greenhouse gas emissions, such as our refineries. Although legal challenges have been filed or are expected to be filed against these EPA actions, no final court decisions are expected for at least another year. The EPA has also issued its plan for establishing greenhouse gas emission standards under the Clean Air Act in 2011. Under this plan, the EPA will propose standards for refineries in December 2011 and will issue final standards in November 2012. Congress may continue to consider legislation on greenhouse gas emissions, which may include a delay in the implementation of greenhouse gas emissions regulations by the EPA.

- The Copenhagen Accord was reached in December 2009 with the United States pledging to reduce emissions 17 percent below 2005 levels by 2020.

- The State of California enacted legislation effective in 2007 capping California s greenhouse gas emissions at 1990 levels by 2020 and directed its responsible state agency to adopt mandatory reporting rules for significant sources of greenhouse gases. We do not conduct business in California, but other states where we have operations could adopt similar greenhouse gas legislation.

Although there may be adverse financial impacts (including compliance costs, potential permitting delays and potential reduced demand for crude oil or certain refined products) associated with any legislation, regulation, EPA action or other action, the extent and magnitude of that impact cannot be reliably or accurately estimated due to the fact that various requirements have only recently been adopted and the present uncertainty regarding additional measures and how they may be implemented. Private-party litigation has also been brought against various emitters of greenhouse gas emissions, but we have not been named in any of those lawsuits.

Worldwide political and economic developments could materially and adversely impact our business, financial condition, results of operations and cash flows.

Local political and economic factors in global markets could have a material adverse effect on us. Continued hostilities in the Middle East and the occurrence or threat of future terrorist attacks could adversely affect the economies of the United States 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 refined products. Additionally, these risks could increase instability in the financial and insurance markets and make it more difficult or costly for us to access capital and to obtain the insurance coverage that we consider adequate.

In addition, a significant portion of our feedstock requirements is satisfied through supplies originating in Saudi Arabia, Kuwait, Canada, Mexico and various other foreign countries. We are, therefore, subject to the

political, geographic and economic risks attendant to doing business with suppliers located in, and supplies originating from, those areas. If one or more of our supply sources were eliminated, or if political events disrupt our traditional crude oil supply, we believe that adequate alternative supplies of crude oil would be available, but it is possible that we would be unable to find alternative sources of supply. If we are unable to obtain adequate crude oil volumes or are able to obtain such volumes only at unfavorable prices, our operations could be adversely affected, including reduced sales volumes of refined products or reduced margins as a result of higher crude oil costs, materially and adversely impacting our business, financial condition, results of operations and cash flows.

Actions of governments through tax and other legislation, executive order and commercial restrictions could reduce our operating profitability. The U.S. government can prevent or restrict us from doing business with foreign countries.

Competitors that produce their own supply of feedstocks, have more extensive retail outlets, or have greater financial resources may have a competitive advantage.

The downstream petroleum business is highly competitive, particularly with regard to accessing crude oil and feedstock supply and marketing refined products. We compete with many companies for available supplies of crude oil and other feedstocks and for outlets for our refined products. In addition, we compete with producers and marketers in other industries that supply alternative forms of energy and fuels to satisfy the requirements of our industrial, commercial and individual consumers. We do not produce any of our crude oil supply. Many of our competitors, however, obtain a significant portion of their crude oil from their own exploration and production activities and some have more extensive retail outlets than we have. Competitors that have their own exploration and production activities are at times able to offset losses from downstream operations with profits from upstream operations, and may be better positioned to withstand periods of depressed refined product margins or feedstock shortages.

Some of our competitors also have significantly greater financial and other resources than we have. Those competitors may have a greater ability to respond to volatile industry or market conditions, such as shortages of crude oil or other feedstocks or intense price fluctuations.

We also face strong competition in the market for the sale of retail gasoline, diesel and merchandise. Our competitors include service stations and convenience stores owned or operated by fully integrated major oil companies or their dealers or jobbers and other well-recognized national or regional retail outlets, often selling gasoline or merchandise at very competitive prices. In recent years, several non-traditional retailers, such as supermarkets, club stores and mass merchants, have entered the retail fuel business. These non-traditional gasoline retailers have obtained a significant share of the transportation fuels market, and we expect their market share to grow. Because of their diversity, integration of operations, experienced management and greater resources, these companies may be better able to withstand volatile market conditions or levels of low or no profitability in the retail segment of the market. In addition, these retailers may use promotional pricing or discounts, both at the pump and in the store, to encourage in-store merchandise sales. These activities by our competitors could pressure us to offer similar discounts, adversely affecting our profit margins. Additionally, the loss of market share by our retail fuel and convenience stores to these and other retailers relating to either gasoline or merchandise could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our operations are subject to business interruptions and casualty losses. We do not insure against all potential losses and, therefore, our business, financial condition, results of operations and cash flows could be seriously harmed by unexpected liabilities and increased costs.

Our operations are subject to business interruptions due to scheduled refinery turnarounds and unplanned events such as explosions, fires, pipeline ruptures or other interruptions, crude oil or refined product spills, severe weather and labor disputes. For example, some of our pipelines provide the almost exclusive form of

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transportation of crude oil to, or refined products from, some of our refineries, and a prolonged interruption in service of any of these pipelines as a result of a pipeline rupture or due to any other reason could materially and adversely affect the operations, profitability and cash flows of the connected refinery. Similar risks may apply to third parties who transport crude oil and refined products to, from and among our facilities. Any prolonged, unplanned interruption in our operations could have a material adverse effect on our business, financial condition, results of operations and cash flows. Our operations are also subject to the additional hazards of pollution, releases of toxic gas and other environmental hazards and risks. 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 substantial 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 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 and resulting business interruption to our major 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 certain of our insurance policies have increased substantially and could escalate further. In some instances, certain insurance could become unavailable or available only for reduced amounts of coverage. For example, due to hurricane activity in recent years, the availability of insurance coverage for our facilities for windstorms in the Gulf of Mexico region has been reduced.

We are subject to interruptions of supply and increased costs as a result of our reliance on third-party transportation of crude oil and refined products.

We utilize the services of third parties to transport crude oil and refined products to and from our refineries. In addition to our own operational risks discussed above, we could experience interruptions of supply or increases in costs to deliver refined products to market if the ability of the pipelines or vessels to transport crude oil or refined products is disrupted because of weather events, accidents, governmental regulations or third-party actions. A prolonged disruption of the ability of a pipeline or vessels to transport crude oil or refined product to or from one or more of our refineries could have a material adverse effect on our business, financial condition, results of operation and cash flows.

Our operating results are seasonal and generally are lower in the first and fourth quarters of the year.

Demand for gasoline and diesel is higher during the spring and summer months than during the winter months in most of our markets due to seasonal increases in highway traffic. As a result, our operating results for the first and fourth quarters are generally lower than for those in the second and third quarters of each year.

We may incur losses as a result of our forward-contract activities and derivative transactions.

We currently use commodity derivative instruments, and we expect to enter into these types of transactions in the future, as well as derivative financial instruments such as interest rate swaps and interest rate cap agreements. If the instruments we utilize to manage our exposure to various types of risk are not effective, we may incur losses.

Compliance with and changes in tax laws could materially and adversely affect our performance.

We are subject to extensive tax liabilities, including federal and state income taxes and transactional taxes such as excise, sales/use, payroll, franchise, withholding and property taxes. New tax laws and regulations and changes in existing tax laws and regulations could result in increased expenditures by us for tax liabilities in the future. Many of these liabilities are subject to periodic audits by taxing authorities. Subsequent changes to our tax liabilities as a result of these audits could subject us to interest and penalties.

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Litigation by private plaintiffs or government officials could materially and adversely affect our business, financial condition, results of operations and cash flows.

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, products liability, consumer credit or privacy laws, product pricing or antitrust laws or any other laws or regulations that apply to our operations. While an adverse outcome in most litigation matters would not be expected to be material to us, in some litigation 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 that could increase the amount of potential damages. Attorneys general and other government officials may pursue litigation in which they seek to recover civil damages from companies on behalf of a state or its citizens for a variety of claims, including violation of consumer protection and product pricing laws or natural resources damages. We are defending litigation of that type and anticipate that we will be required to defend new litigation of that type in the future. If we are not able to successfully defend such litigation, it may result in liability to our company that could materially and adversely affect our business, financial condition, results of operations and cash flows. We do not have insurance covering all of these potential liabilities. In addition to substantial liability, plaintiffs in litigation may also seek injunctive relief which, if imposed, could have a material adverse effect on our future business, financial condition, results of operations and cash flows.

Distributions from our subsidiaries may be inadequate to fund our capital needs, payments on our indebtedness and dividends on our common stock.

As a holding company, we derive substantially all our income from, and hold substantially all of our assets through, our subsidiaries. As a result, we depend on distributions of funds from our subsidiaries to meet our capital needs and our payment obligations with respect to our indebtedness. Our operating subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due with respect to our indebtedness or to provide us with funds for our capital needs or our debt payment obligations, whether by dividends, distributions, loans or otherwise. In addition, provisions of applicable law, such as those restricting the legal sources of dividends, could limit our subsidiaries abilities to make payments or other distributions to us, or our subsidiaries could agree to contractual restrictions on their ability to make distributions.

Our rights with respect to the assets of any subsidiary and, therefore, the rights of our creditors with respect to those assets are effectively subordinated to the claims of that subsidiary s creditors. In addition, if we were a creditor of any subsidiary, our rights as a creditor would be subordinate to any security interest in the assets of that subsidiary and any indebtedness of that subsidiary senior to that held by us.

If we cannot obtain funds from our subsidiaries as a result of restrictions under debt instruments, applicable laws and regulations or otherwise, we may not be able to meet our capital needs, pay interest or principal with respect to our indebtedness when due or pay dividends on our common stock, and we cannot assure you that we would be able to obtain the necessary funds from other sources on terms that will be acceptable to us.

The loss of the services of one or more of our key personnel, or our failure to attract, assimilate and retain trained personnel in the future, could disrupt our operations and result in loss of revenues.

Our success depends on the continued active participation of our executive officers and key operating personnel. The unexpected loss of the services of any one of these persons could adversely affect our operations.

Our operations require the services of employees having the technical training and experience necessary to obtain the proper operational results. As such, our operations depend, to a considerable extent, on the continuing availability of such personnel. If we should suffer any material loss of personnel to competitors or be unable to employ additional or replacement personnel with the requisite level of training and experience to adequately operate our business, our operations could be adversely affected. A significant increase in the wages paid by

other employers could result in a reduction in our workforce, increases in wage rates, or both. If either of these events occurred for a significant period of time, our financial condition, results of operations and cash flows could be adversely impacted.

A portion of our workforce is unionized, and we may face labor disruptions that could materially and adversely affect our business, financial condition, results of operations and cash flows.

Approximately 47 percent of our refining hourly employees are covered by collective bargaining agreements. The contracts for the hourly workers at our Catlettsburg and Canton refineries are scheduled to expire in January 2012, and the contracts for the hourly workers at our Texas City and Detroit refineries are scheduled to expire in March 2012 and January 2014, respectively. We cannot assure you that these contracts will not be renewed at an increased cost to us or that we will not experience work stoppages in the future as a result of labor disagreements.

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USE OF PROCEEDS

We will not receive any cash proceeds from the issuance of the exchange notes. Because we are exchanging the exchange notes for the outstanding notes, which have substantially identical terms, the issuance of the exchange notes will not result in any increase in our indebtedness.

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RATIO OF EARNINGS TO FIXED CHARGES

Our ratios of earnings to fixed charges for each of the periods indicated are as follows:

	Six Months Ended June 30, 2011	For the Years Ended December 31, 2010	2009	2008	2007	2006
Ratio of earnings to fixed charges	20.3x	7.4x	5.9x	17.1x	54.3x	74.6x

The term earnings is the amount resulting from adding the following items to the extent applicable:

- pre-tax income from continuing operations before adjustment for income or loss from equity investees;
- fixed charges;
- amortization of capitalized interest;
- distributed income of equity investees; and
- pre-tax losses of equity investees for which charges arising from guarantees are included in fixed charges;

and subtracting from the total the following:

- interest capitalized;
- preference security dividend requirements of consolidated subsidiaries; and
- the non-controlling interest in pre-tax income of subsidiaries that have not incurred fixed charges;

For this purpose, fixed charges consists of:

- interest expense and amortization of discounts, premiums and capitalized expenses on indebtedness;
- interest capitalized;
- an estimate of the portion of annual rental expense on operating leases that represents interest attributable to rentals; and

preference security dividend requirements of consolidated subsidiaries.

The ratios presented above are based on our historical combined and consolidated financial statements. As described in Note 1 to our audited combined financial statements included in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus, and in Note 1 to our unaudited consolidated financial statements included in our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2011, which is incorporated by reference into this prospectus, the combined and consolidated financial statements were prepared in connection with the spin-off, and for periods prior to the completion of the spin-off on June 30, 2011, reflect the combined historical results of operations, financial position and cash flows of the Marathon Oil subsidiaries that operated the Refining, Marketing & Transportation Business of Marathon Oil, which we refer to in this prospectus as the RM&T Business, as if such businesses had been combined for all periods presented. Our capital structure changed significantly as a result of the spin-off. Accordingly, the ratios for periods prior to the spin-off may not be indicative of the ratios after giving effect to the spin-off.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table presents our selected historical consolidated financial information. For periods prior to the June 30, 2011 spin-off, our selected historical consolidated financial data reflect the combined historical results of operations, financial position and cash flows of the Marathon Oil subsidiaries that operated the RM&T Business, as if such businesses had been combined for all periods presented. The historical consolidated financial information as of and for the years ended December 31, 2010, 2009 and 2008 is derived from our audited combined financial statements included in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, which is incorporated by reference into this prospectus. The historical consolidated financial information as of June 30, 2011 and for the six-month periods ended June 30, 2011 and 2010 is derived from our unaudited consolidated financial statements included in our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2011, which is incorporated by reference into this prospectus. The historical consolidated financial information as of and for the years ended December 31, 2007 and 2006 is derived from our unaudited combined financial statements not included in or incorporated by reference into this prospectus.

(In millions, except per share data)	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010	Year Ended December 31, 2010	2009	2008	2007	2006
Consolidated Statements of Income Data							
Revenues	$ 38,602	$ 29,157	$ 62,487	$ 45,530	$ 64,939	$ 55,004	$ 55,722
Income from operations	2,144	217	1,011	654	1,855	3,261	4,413
Net income	1,331	116	623	449	1,215	2,262	2,918
Net income per share diluted (1)	$ 3.72	$ 0.32	$ 1.74	$ 1.25	$ 3.39	$ 6.32	$ 8.15
Consolidated Statements of Cash Flows Data							
Net cash provided by operating activities	952	295	2,217	2,455	684	3,156	4,704
Additions to property, plant and equipment	(517)	(634)	(1,217)	(2,891)	(2,787)	(1,403)	(916)
Contributions from (distributions to) Marathon Oil	(699)	(500)	(1,330)	207	(151)	(7,454)	3

(In millions)	June 30, 2011	December 31, 2010	2009	2008	2007	2006
Consolidated Balance Sheet Data						
Total assets	$ 23,964	$ 23,232	$ 21,254	$ 18,177	$ 17,746	$ 20,739
Long-term debt, including capitalized leases(2)	3,274	279	254	182	104	58
Long-term debt payable to Marathon Oil and subsidiaries(3)		3,618	2,358	2,343	280	3

(1) Net income per share diluted is based on the weighted average number of shares of common stock outstanding and assumes the exercise of stock options and stock appreciation rights, provided the effect is not anti-dilutive. On June 30, 2011, 356 million shares of our common stock were distributed to Marathon Oil stockholders in conjunction with the spin-off. Dilutive securities outstanding at June 30, 2011 were 2 million shares. For comparative purposes, and to provide a more meaningful calculation for weighted average common shares outstanding, including dilutive effects, we have assumed these 358 million shares to be outstanding as of the beginning of each period presented.

(2) Includes amounts due within one year.

(3) Includes amounts due within one year and debt owed to Marathon Oil which was repaid prior to the spin-off.

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UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL DATA

Unaudited pro forma condensed consolidated financial data of MPC presented below have been derived from our historical combined and consolidated financial statements incorporated by reference in this prospectus. Prior to the spin-off on June 30, 2011, our financial position, results of operations and cash flows reflect the combined historical results of the RM&T Business. The RM&T Business represented a combined reporting entity. Our consolidated statements of income as reported for the six months ended June 30, 2011 and for the year ended December 31, 2010 consist entirely of the combined results of the RM&T Business.

The pro forma adjustments give effect to the separation of Marathon Oil s refining, marketing and transportation businesses into an independent publicly traded company. The unaudited pro forma condensed consolidated financial data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our historical combined and consolidated financial statements and the notes to those statements, which are included in our registration statement on Form 10 filed with the SEC on January 25, 2011, as amended, and our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2011, which are incorporated by reference into this prospectus.

The unaudited pro forma condensed consolidated statements of income for the six months ended June 30, 2011 and the year ended December 31, 2010 have been prepared as though the spin-off occurred as of January 1, 2010. The pro forma adjustments are based on available information and assumptions that our management believes are reasonable; however, such adjustments are estimates and may not prove to be accurate, as MPC does not have a history of operating as a stand-alone company.

The pro forma adjustments include, among other things, the income statement impact related to the following items:

- The distribution of approximately 356 million shares of our common stock to Marathon Oil stockholders.
- The repayment to Marathon Oil of outstanding debt owed to it on January 1, 2010.
- The issuance of $3.0 billion aggregate principal amount of the outstanding notes as of January 1, 2010.
- A $2.0 billion revolving credit facility and a $1.0 billion trade receivables securitization facility were entered into effective January 1, 2010.
- The redemption of our investments in the preferred stock of MOC Portfolio Delaware, Inc., or PFD, a subsidiary of Marathon Oil, that we held at January 1, 2010.
- Factually supportable incremental costs and expenses associated with operating as a stand-alone company.

Our unaudited pro forma condensed consolidated statements of income do not include adjustments for all of the costs of operating as a stand-alone company. Only costs that management has currently determined to be factually supportable and recurring are included as adjustments in the unaudited pro forma condensed consolidated financial data. Incremental costs and expenses associated with being a stand-alone company, which are not reflected in the unaudited pro forma condensed consolidated statements of income, are estimated to be approximately $25 million annually.

The unaudited pro forma condensed consolidated statements of income include the financial results of the Northern-Tier Assets until December 1, 2010.

The unaudited pro forma condensed consolidated financial data are for illustrative purposes only and do not reflect what our financial position and results of operations would have been had the spin-off occurred on the date indicated and are not necessarily indicative of our future financial position and future results of operations.

The unaudited pro forma condensed consolidated financial data constitute forward-looking information and are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated. See Cautionary Statement Concerning Forward-Looking Statements in this prospectus.

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MARATHON PETROLEUM CORPORATION

Unaudited Pro Forma Condensed Consolidated Statement of Income

Six Months Ended June 30, 2011

(In millions, except per share amounts)	Six Months Ended June 30, 2011 (As reported)	Pro Forma Adjustments	Pro Forma
Revenues and other income:			
Sales and other operating revenues (including consumer excise taxes)	$ 38,551	$ 13(a)	$ 38,564
Sales to related parties	51	(13)(a)	38
Income from equity method investments	26		26
Net gain on disposal of assets	5		5
Other income	32		32
Total revenues and other income	38,665		38,665
Costs and expenses:			
Cost of revenues (excludes items below)	31,211	1,590(a)	32,801
Purchases from related parties	1,766	(1,590)(a)	176
Consumer excise taxes	2,478		2,478
Depreciation and amortization	434	6(b)	440
Selling, general and administrative expenses	505	7(b)	512
Other taxes	127		127
Total costs and expenses	36,521	13	36,534
Income from operations	2,144	(13)	2,131
Related party net interest and other financial income	35	(35)(c)	
Net interest and other financial income (costs)	(24)	(12)(d)	(36)
Income before income taxes	2,155	(60)	2,095
Provision for income taxes	824	(15)(e)	809
Net income	$ 1,331	$ (45)	$ 1,286
Earnings per share:(f)			
Basic	$ 3.74		$ 3.61
Diluted	$ 3.72		$ 3.59
Shares outstanding:(f)			
Basic	356		356
Diluted	358		358

See Notes to Unaudited Pro Forma Condensed Consolidated Financial Data

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MARATHON PETROLEUM CORPORATION

Unaudited Pro Forma Condensed Consolidated Statement of Income

Year Ended December 31, 2010

(In millions, except per share amounts)	Year Ended December 31, 2010 (As reported)	Pro Forma Adjustments	Pro Forma
Revenues and other income:			
Sales and other operating revenues (including consumer excise taxes)	$ 62,387	$ 39(a)	$ 62,426
Sales to related parties	100	(39)(a)	61
Income from equity method investments	70		70
Net gain on disposal of assets	11		11
Other income	37		37
Total revenues and other income	62,605		62,605
Costs and expenses:			
Cost of revenues (excludes items below)	51,685	2,287(a)	53,972
Purchases from related parties	2,593	(2,287)(a)	306
Consumer excise taxes	5,208		5,208
Depreciation and amortization	941	18(b)	959
Selling, general and administrative expenses	920	37(b)	957
Other taxes	247		247
Total costs and expenses	61,594	55	61,649
Income from operations	1,011	(55)	956
Related party net interest and other financial income	24	(24)(c)	
Net interest and other financial income (costs)	(12)	(91)(d)	(103)
Income before income taxes	1,023	(170)	853
Provision for income taxes	400	(58)(e)	342
Net income	$ 623	$ (112)	$ 511
Earnings per share:(f)			
Basic	$ 1.75		$ 1.44
Diluted	$ 1.74		$ 1.43
Shares outstanding:(f)			
Basic	356		356
Diluted	358		358

See Notes to Unaudited Pro Forma Condensed Consolidated Financial Data

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MARATHON PETROLEUM CORPORATION

Notes to Unaudited Pro Forma Condensed Consolidated Financial Data

(a) Reflects the reclassification of activity with Marathon Oil from related party to third-party.

(b) Represents incremental costs associated with operating as a stand-alone company that are both factually supportable and recurring, including costs related to information technology, depreciation, insurance, law, human resources, corporate planning, audit, accounting, treasury, tax and other expenses related to being a stand-alone company.

(c) Reflects the elimination of all related party net interest and other financial income, based on the redemption by MPC of all its shares of preferred stock of PFD, assuming a January 1, 2010 effective date.

(d) Reflects adjustments to net interest and other financial income (costs) resulting from the incurrence of $3.0 billion of indebtedness and the execution of a revolving credit agreement and a trade receivables securitization facility, as follows (in millions):

(In millions)	Six Months Ended June 30, 2011	Year Ended December 31, 2010
Interest expense on $3.0 billion of newly incurred indebtedness	($79)	($160)
Amortization of debt issuance costs	(6)	(11)
Commitment fee on revolving credit facility	(3)	(6)
Interest expense on $3.0 billion indebtedness issued in February 2011 included in financial statements	66	
Amortization of debt issuance costs included in financial statements	1	
Interest expense capitalized	9	86
Total pro forma adjustment to interest income (costs), net of amount reported	($12)	($91)

Pro forma interest expense was calculated based on a blended interest rate of 5.31%, which includes amortization of an $11 million original issue discount on the indebtedness. Interest expense also includes amortization on approximately $60 million of debt issuance costs related to the $3.0 billion debt incurrence, our new $2.0 billion revolving credit facility and our new $1.0 billion trade receivables securitization facility. Such costs are amortized over the terms of the associated debt. Interest expense also includes a commitment fee on the new revolving credit facility. The calculation of interest expense assumes constant debt levels throughout the periods presented.

(e) Represents the tax effect of pro forma adjustments to income before income taxes using a statutory tax rate of 38% for both the six months ended June 30, 2011 and the year ended December 31, 2010. Also represents the elimination of a tax deduction associated with dividend income received from PFD, (see note (c) above). The effective tax rate of MPC could be different (either higher or lower) depending on activities subsequent to the spin-off.

(f) Basic earnings per share is based on the weighted average number of shares of common stock outstanding. Diluted earnings per share assumes exercise of stock options and stock appreciation rights, provided the effect is not anti-dilutive. On June 30, 2011, 356 million shares of MPC common stock were distributed to Marathon Oil stockholders in conjunction with the spin-off. For comparative purposes,

and to provide a more meaningful calculation for weighted average shares outstanding, we have assumed this amount to be outstanding as of the beginning of each period presented. In addition, for the dilutive weighted average shares outstanding calculations, we have assumed the dilutive securities outstanding at June 30, 2011 were also outstanding at each of the periods presented.

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DESCRIPTION OF OTHER DEBT

Revolving Credit Facility

In March 2011, to provide us with additional liquidity following the spin-off, we entered into a four-year revolving credit agreement with a syndicate of lenders, including JPMorgan Chase Bank, National Association, as administrative agent. The revolving credit facility provides us with an initial borrowing capacity of up to $2.0 billion and the ability to increase borrowing capacity to $2.5 billion, subject to certain conditions. We may obtain up to $1.5 billion of letters of credit and up to $100 million of swingline loans under the revolving credit facility. We may, subject to certain conditions, request that the term of the revolving credit facility be extended for up to two additional one-year periods. Each such extension would be subject to the approval of lenders holding greater than 50 percent of the commitments then outstanding, and the commitment of any lender that does not consent to an extension of the maturity date will be terminated on the then-effective maturity date. As of the date of this prospectus, we had no borrowings under the revolving credit facility.

Interest Rates

Borrowings of revolving loans under the revolving credit facility bear interest, at our option, at either LIBOR plus a margin ranging between 1.75 percent to 3.00 percent, depending on our credit ratings, or an alternate base rate plus a margin ranging between 0.75 percent to 2.00 percent, depending on our credit ratings. The revolving credit facility also provides for customary fees, including administrative agent fees, commitment fees, fees in respect of letters of credit and other fees.

Covenants

The revolving credit facility contains covenants that we consider usual and customary for an agreement of this type, including a maximum ratio of consolidated indebtedness at the end of each fiscal quarter to consolidated EBITDA for the immediately preceding four fiscal quarter period of 3.0 to 1.0 and a minimum ratio of consolidated EBITDA to consolidated interest expense for each consecutive four fiscal quarter period of 3.5 to 1.0. In addition, the revolving credit facility includes limitations on indebtedness of our subsidiaries, other than subsidiaries that guarantee our obligations under the revolving credit facility or indebtedness owed to MPC or one of our majority-owned subsidiaries.

Defaults

Borrowings under the revolving credit facility are subject to acceleration upon the occurrence of events of default that we consider usual and customary for an agreement of this type, including but not limited to:

- nonpayment of principal, interest or fees;
- a material inaccuracy of representations and warranties;
- violation of covenants;
- cross defaults to other debt;