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March 22, 2011

Representative Bill Stoltze, Co-Chairman
House Finance Committee
State Capitol Building, Room 515
Juneau, Alaska 99801

Dear Legislators,

Marathon Oil supports Governor Parnell's effort to change Alaska's tax structure thru the passage of HB110 and to make Alaska a more competitive place to invest.

As you know, Marathon Oil Company has been operating in Alaska since before statehood. Our Alaskan operations are focused on natural gas production in the Cook Inlet with limited oil production.

We sell to every natural gas market available including the local utilities. Marathon has been in business in Alaska for over 56 years and we remain committed to serving the natural gas needs of SouthCentral Alaska through our various contractual commitments.

As the market environments have changed over the years in the Cook Inlet, the State of Alaska has recognized the unique challenges and opportunities and has been willing to adjust its tax structure to meet the needs of both its citizens and the industry.

The State of Alaska is now in the position to do the same for the more prolific North Slope oil and gas fields. Marathon Oil supports the Governors efforts and encourages the Legislature to continue its efforts to attract more investment and make Alaska a more competitive place to do business.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Carri Lockhart', with a long horizontal flourish extending to the right.

Carri Lockhart

Cc: Governor Sean Parnell