

MARTIN MARIETTA MATERIALS INC
Form SC 13D/A
August 12, 2008

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 13D

**Under the Securities Exchange Act of 1934
(Amendment No. 3)***

Martin Marietta Materials, Inc.
(Name of Issuer)

Common Stock, par value \$0.01 per share
(Title of Class of Securities)

573284106
(CUSIP Number)

SPO Advisory Corp.
591 Redwood Highway, Suite 3215
Mill Valley, California 94941
(415) 383-6600

with a copy to:

Alison S. Ressler
Sullivan & Cromwell LLP
1888 Century Park East
Los Angeles, California 90067-1725
(310) 712-6600

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

August 7, 2008
(Date of Event which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this Schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box .

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. *See* Rule 13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act

but shall be subject to all other provisions of the Act (however, *see* the Notes).

CUSIP No. 573284106

1. NAME OF REPORTING PERSON

SPO Partners II, L.P.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC Use Only

4. SOURCE OF FUNDS

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7. SOLE VOTING POWER
4,360,135 (1)

Number Of Shares
Beneficially Owned
By Each Reporting
Person With

8. SHARED VOTING POWER
- 0 -

9. SOLE DISPOSITIVE POWER
4,360,135 (1)

10. SHARED DISPOSITIVE POWER
- 0 -

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,360,135

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

10.5%

14. TYPE OF REPORTING PERSON

PN

(1) Power is exercised through its sole general partner, SPO Advisory Partners, L.P.

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CUSIP No. 573284106

1. NAME OF REPORTING PERSON

SPO Advisory Partners, L.P.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC Use Only

4. SOURCE OF FUNDS

Not Applicable

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7. SOLE VOTING POWER

4,360,135 (1)(2)

Number Of Shares
Beneficially Owned
By Each Reporting
Person With

8. SHARED VOTING POWER

- 0 -

9. SOLE DISPOSITIVE POWER

4,360,135 (1)(2)

10. SHARED DISPOSITIVE POWER

- 0 -

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,360,135

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

10.5%

14. TYPE OF REPORTING PERSON

PN

- (1) Solely in its capacity as the sole general partner of SPO Partners II, L.P.
- (2) Power is exercised through its sole general partner, SPO Advisory Corp.

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CUSIP No. 573284106

1. NAME OF REPORTING PERSON

San Francisco Partners II, L.P.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC Use Only

4. SOURCE OF FUNDS

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

California

7. SOLE VOTING POWER
168,000 (1)

Number Of Shares
Beneficially Owned
By Each Reporting
Person With

8. SHARED VOTING POWER
- 0 -

9. SOLE DISPOSITIVE POWER
168,000 (1)

10. SHARED DISPOSITIVE POWER

- 0 -

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

168,000

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.4%

14. TYPE OF REPORTING PERSON

PN

(1) Power is exercised through its sole general partner, SF Advisory Partners, L.P.

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CUSIP No. 573284106

1. NAME OF REPORTING PERSON

SF Advisory Partners, L.P.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC Use Only

4. SOURCE OF FUNDS

Not Applicable

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7. SOLE VOTING POWER

168,000 (1)(2)

Number Of Shares Beneficially Owned By Each Reporting Person With	8. SHARED VOTING POWER - 0 -
	9. SOLE DISPOSITIVE POWER 168,000 (1)(2)
	10. SHARED DISPOSITIVE POWER - 0 -

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

168,000

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.4%

14. TYPE OF REPORTING PERSON

PN

(1) Solely in its capacity as the sole general partner of San Francisco Partners II, L.P.

(2) Power is exercised through its sole general partner, SPO Advisory Corp.

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CUSIP No. 573284106

1. NAME OF REPORTING PERSON

SPO Advisory Corp.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC Use Only

4. SOURCE OF FUNDS

Not Applicable

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

	7. SOLE VOTING POWER	4,528,135 (1)(2)
Number Of Shares Beneficially Owned By Each Reporting Person With	8. SHARED VOTING POWER	- 0 -
	9. SOLE DISPOSITIVE POWER	4,528,135 (1)(2)
	10. SHARED DISPOSITIVE POWER	- 0 -

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,528,135

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

10.9%

14. TYPE OF REPORTING PERSON

CO

- (1) Solely in its capacity as the sole general partner of SPO Advisory Partners, L.P. with respect to 4,360,135 of such shares; and solely in its capacity as the sole general partner of SF Advisory Partners, L.P. with respect to 168,000 of such shares.
- (2) Power is exercised through its four controlling persons, John H. Scully, William E. Oberndorf, William J. Patterson and Edward H. McDermott.

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CUSIP No. 573284106

1. NAME OF REPORTING PERSON

John H. Scully

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b) [X]

3. SEC Use Only

4. SOURCE OF FUNDS

PF and Not Applicable

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION

USA

	7. SOLE VOTING POWER	67,900 (1)
Number Of Shares Beneficially Owned By Each Reporting Person With	8. SHARED VOTING POWER	4,528,135 (2)
	9. SOLE DISPOSITIVE POWER	67,900 (1)
	10. SHARED DISPOSITIVE POWER	4,528,135 (2)

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,596,035

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

11.1%

14. TYPE OF REPORTING PERSON

IN

- (1) Of these shares, 900 shares are held in the John H. Scully Individual Retirement Accounts, which are self-directed, and 67,000 shares may be deemed to be beneficially owned by Mr. Scully solely in his capacity as controlling person, sole director and executive officer of Phoebe Snow Foundation, Inc.
- (2) These shares may be deemed to be beneficially owned by Mr. Scully solely in his capacity as one of four controlling persons of SPO Advisory Corp.

CUSIP No. 573284106

1. NAME OF REPORTING PERSON

William E. Oberndorf

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC Use Only

4. SOURCE OF FUNDS

Not Applicable and PF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

USA

7. SOLE VOTING POWER

1,600 (1)

Number Of Shares
Beneficially Owned
By Each Reporting
Person With

8. SHARED VOTING POWER

4,528,135 (2)

9. SOLE DISPOSITIVE POWER

1,600 (1)

10. SHARED DISPOSITIVE POWER

4,528,135 (2)

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,529,735

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

10.9%

14. TYPE OF REPORTING PERSON

IN

- (1) These shares are held in the William E. Oberndorf Individual Retirement Account, which is self directed.
(2) These shares may be deemed to be beneficially owned by Mr. Oberndorf solely in his capacity as one of four controlling persons of SPO Advisory Corp.

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CUSIP No. 573284106

1. NAME OF REPORTING PERSON

William J. Patterson

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC Use Only

4. SOURCE OF FUNDS

PF and Not Applicable

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

USA

7. SOLE VOTING POWER

100 (1)

Number Of Shares
Beneficially Owned
By Each Reporting
Person With

8. SHARED VOTING POWER

4,532,935 (2)

9. SOLE DISPOSITIVE POWER

100 (1)

10. SHARED DISPOSITIVE POWER

4,532,935 (1)

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,533,035

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

11.0%

14. TYPE OF REPORTING PERSON

IN

- (1) These shares are held in the William J. Patterson Individual Retirement Account, which is self directed.
(2) Of these shares, 4,528,135 shares may be deemed to be beneficially owned by Mr. Patterson solely in his capacity as one of four controlling persons of SPO Advisory Corp. and 4,800 shares may be deemed to be beneficially owned by Mr. Patterson solely in his capacity as a controlling person, director and executive officer of The Elizabeth R. & William J. Patterson Foundation.

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CUSIP No. 573284106

1. NAME OF REPORTING PERSON

Edward H. McDermott

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC Use Only

4. SOURCE OF FUNDS

Not Applicable

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

USA

7. SOLE VOTING POWER

- 0 -

Number Of Shares
Beneficially Owned
By Each Reporting
Person With

8. SHARED VOTING POWER

4,528,135 (1)

9. SOLE DISPOSITIVE POWER

- 0 -

10. SHARED DISPOSITIVE POWER

4,528,135 (1)

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,528,135

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

10.9%

14. TYPE OF REPORTING PERSON

IN

-
- (1) These shares may be deemed to be beneficially owned by Mr. McDermott solely in his capacity as one of four controlling persons of SPO Advisory Corp.

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CUSIP No. 573284106

1. NAME OF REPORTING PERSON

Phoebe Snow Foundation, Inc.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC Use Only

4. SOURCE OF FUNDS

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

California

	7. SOLE VOTING POWER 67,000 (1)
Number Of Shares Beneficially Owned By Each Reporting Person With	8. SHARED VOTING POWER - 0 -
	9. SOLE DISPOSITIVE POWER 67,000 (1)
	10. SHARED DISPOSITIVE POWER - 0 -

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

67,000

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.2%

14. TYPE OF REPORTING PERSON

CO

(1) Power is exercised through its controlling person, sole director and executive officer, John H. Scully.

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CUSIP No. 573284106

1. NAME OF REPORTING PERSON

The Elizabeth R. & William J. Patterson Foundation

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC Use Only

4. SOURCE OF FUNDS

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

California

	7. SOLE VOTING POWER
	4,800 (1)
<hr/>	
Number Of Shares Beneficially Owned By Each Reporting Person With	8. SHARED VOTING POWER
	- 0 -
<hr/>	
	9. SOLE DISPOSITIVE POWER
	4,800 (1)
<hr/>	
	10. SHARED DISPOSITIVE POWER
	- 0 -

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,800

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

**0.1%

14. TYPE OF REPORTING PERSON

CO

** Denotes less than.

(1) Power is exercised through its controlling persons, directors and executive officers, William J. Patterson and Elizabeth R. Patterson.

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This Amendment No. 3 amends the Schedule 13D (the "Original 13D") filed with the Securities and Exchange Commission ("SEC") on August 10, 2007 and as amended on September 28, 2007 and October 29, 2007. Unless otherwise stated herein, the Original 13D, as previously amended, remains in full force and effect. Terms used therein and not defined herein shall have the meanings ascribed thereto in the Original 13D. This Amendment No. 3 is also being filed to add Edward H. McDermott as a Reporting person, as a result of his becoming an additional controlling person of SPO Advisory Corp.

ITEM 2. Identity and Background.

Item 2(a) is hereby amended and restated in its entirety as follows:

(a) The undersigned hereby file this Schedule 13D Statement on behalf of SPO Partners II, L.P., a Delaware limited partnership (“SPO”), SPO Advisory Partners, L.P., a Delaware limited partnership (“SPO Advisory Partners”), San Francisco Partners II, L.P., a California limited partnership (“SFP”), SF Advisory Partners, L.P., a Delaware limited partnership (“SF Advisory Partners”), SPO Advisory Corp., a Delaware corporation (“SPO Advisory Corp.”), John H. Scully (“JHS”), William E. Oberndorf (“WEO”), William J. Patterson (“WJP”), Edward H. McDermott (“EHM”), Phoebe Snow Foundation, Inc., a California corporation (“PS Foundation”) and The Elizabeth R. & William J. Patterson Foundation, a California corporation (“Patterson Foundation”). SPO, SPO Advisory Partners, SFP, SF Advisory Partners, SPO Advisory Corp., JHS, WEO, WJP, EHM, PS Foundation and Patterson Foundation are sometimes hereinafter referred to as the “Reporting Persons.” The Reporting Persons are making this single, joint filing because they may be deemed to constitute a “group” within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the “Act”), although neither the fact of this filing nor anything contained herein shall be deemed to be an admission by the Reporting Persons that a group exists.

The following subsection is hereby added to Item 2(b)-(c) in appropriate alphabetical order as follows:

EHM

EHM’s business address is 591 Redwood Highway, Suite 3215, Mill Valley, California 94941. His present principal occupation is serving as a managing director of SPO Partners & Co., a Delaware corporation. The principal business of SPO Partners & Co. is operating as an investment firm. The principal business address of SPO Partners & Co., which serves as its principal office, is 591 Redwood Highway, Suite 3215, Mill Valley, California 94941. EHM is one of four controlling persons of SPO Advisory Corp., the sole general partner of each of SPO Advisory Partners and SF Advisory Partners.

The following subsections of Item 2(b)-(c) are hereby amended and restated in their entirety as follows:

JHS

JHS’s business address is 591 Redwood Highway, Suite 3215, Mill Valley, California 94941. His present principal occupation is serving as a managing director of SPO Partners & Co., a Delaware corporation. The principal business of SPO Partners & Co. is operating as an investment firm. The principal business address of SPO Partners & Co., which serves as its principal office, is 591 Redwood Highway, Suite 3215, Mill Valley, California 94941. JHS is one of four controlling persons of SPO Advisory Corp., the sole general partner of each of SPO Advisory Partners and SF Advisory Partners.

WEO

WEO’s business address is 591 Redwood Highway, Suite 3215, Mill Valley, California 94941. His present principal occupation is serving as a managing director of SPO Partners & Co., a Delaware corporation. The principal business of SPO Partners & Co. is operating as an investment firm. The principal business address of SPO Partners & Co., which serves as its principal office, is 591 Redwood Highway, Suite 3215, Mill Valley, California 94941. WEO is one of four controlling persons of SPO Advisory Corp., the sole general partner of each of SPO Advisory Partners and SF Advisory Partners.

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WJP

WJP’s business address is 591 Redwood Highway, Suite 3215, Mill Valley, California 94941. His present principal occupation is serving as a managing director of SPO Partners & Co., a Delaware corporation. The principal business of SPO Partners & Co. is operating as an investment firm. The principal business address of SPO Partners & Co.,

which serves as its principal office, is 591 Redwood Highway, Suite 3215, Mill Valley, California 94941. WJP is one of four controlling persons of SPO Advisory Corp., the sole general partner of each of SPO Advisory Partners and SF Advisory Partners.

ITEM 3. Source and Amount of Funds or Other Consideration.

The source and amount of the funds used or to be used by the Reporting Persons to purchase Shares are as follows:

Name	Source of Funds	Amount of Funds
SPO	Contributions from Partners	\$534,038,258
SPO Advisory Partners	Not Applicable	Not Applicable
SFP	Contributions from Partners	\$20,947,483
SF Advisory Partners	Not Applicable	Not Applicable
SPO Advisory Corp.	Not Applicable	Not Applicable
JHS	Not Applicable and Personal Funds	\$116,715
WEO	Not Applicable and Personal Funds	\$161,111
WJP	Not Applicable and Personal Funds	\$12,572
EHM	Not Applicable	Not Applicable
PS Foundation	Contributions from Shareholders	\$8,484,379
Patterson Foundation	Contributions from Shareholders	\$569,271

- (1) As used herein, the term “Personal Funds” includes sums borrowed from banks and brokerage firm margin accounts, none of which were borrowed or otherwise obtained for the specific purpose of acquiring, holding, trading or voting Shares.

ITEM 5. Interest in Securities of the Issuer.

- (a) Percentage interest calculations for each Reporting Person are based upon the Issuer having 41,375,200 total outstanding shares of common stock as reported on the Issuer’s 10-Q filed with the Securities and Exchange Commission on August 7, 2008.

SPO

The aggregate number of Shares that SPO owns beneficially, pursuant to Rule 13d-3 of the Act, is 4,360,135 Shares, which constitutes approximately 10.5% of the outstanding Shares.

SPO Advisory Partners