

CABOT OIL & GAS CORP
Form DEF 14A
March 28, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to (S) 240.14a-11(c) or (S) 240.14a-12

CABOT OIL & GAS CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(4) Date Filed:

March 28, 2011

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of Cabot Oil & Gas Corporation to be held on Tuesday, May 3, 2011, at 8:00 a.m., local time, in our offices, located at 840 Gessner Road, Suite 1400, Houston, Texas 77024.

The attached Notice of Annual Meeting of Stockholders and Proxy Statement cover the formal business of the meeting. To better acquaint you with the directors, the Proxy Statement contains biographical information on each nominee and each director continuing in office. Directors and officers of the Company will be present at the meeting to respond to your questions.

Whether or not you plan to attend the Annual Meeting, it is important that your shares be represented. Please complete, sign, date and return the enclosed proxy card in the postage-paid envelope provided, or if your proxy card or voting instructions form so indicates, vote electronically via the Internet or telephone.

If you plan to attend the Annual Meeting, please bring a valid government-issued photo identification. If your shares are held in the name of a broker or other nominee, please bring with you a letter (and a legal proxy if you wish to vote your shares) from your broker or nominee confirming your ownership as of the record date.

Sincerely,

DAN O. DINGES

Chairman, President and Chief Executive Officer

CABOT OIL & GAS CORPORATION

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD May 3, 2011

The Annual Meeting of Stockholders of Cabot Oil & Gas Corporation (the Company), a Delaware corporation, will be held at the Company's offices, 840 Gessner Road, Suite 1400, Houston, Texas 77024 on Tuesday, May 3, 2011, at 8:00 a.m., local time, for the following purposes:

- I. To elect the three persons named in this proxy statement to the Board of Directors of the Company.
 - II. To ratify the appointment of the firm PricewaterhouseCoopers LLP as the independent registered public accounting firm for the Company for its 2011 fiscal year.
 - III. To approve, by non-binding advisory vote, the compensation of our named executive officers.
 - IV. To conduct a non-binding advisory vote on the frequency of future advisory votes on executive compensation.
 - V. To transact such other business as may properly come before the meeting or any adjournments or postponements thereof.
- Only holders of record of the Common Stock at the close of business on March 15, 2011 are entitled to receive notice of and to vote at the Annual Meeting. The transfer books of the Company will not be closed.

It is important that your shares be represented and voted at the Annual Meeting. Stockholders are urged to vote their shares by one of the following methods whether or not they plan to attend the Annual Meeting:

vote via the Internet or by telephone using the instructions on the proxy card, if this option is available to you (please refer to your proxy card to determine if this option is available to you); or

complete, sign, date and return the accompanying proxy card in the enclosed self-addressed envelope (the self-addressed envelope requires no postage if mailed in the United States).

You may vote in person if you attend the Annual Meeting. **To attend the Annual Meeting, you must show proof of stock ownership. Registered stockholders will be asked to present a valid government-issued photo identification. If your shares are held in the name of your broker, bank, or other nominee, you must bring to the meeting a valid government-issued photo identification and an account statement or letter (and a legal proxy if you wish to vote your shares) from the nominee indicating that you beneficially owned the shares on March 15, 2011, the record date for voting.**

For safety and security reasons, cameras, camera phones, recording equipment, electronic devices, large bags, brief cases or packages will not be permitted in the meeting.

Please exercise your right to vote at your earliest convenient time.

BY ORDER OF THE BOARD OF DIRECTORS,

LISA A. MACHESNEY

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Vice President, Managing Counsel and Corporate Secretary

Houston, Texas

March 28, 2011

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on May 3, 2011:

This proxy statement, along with the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2010 and the 2010 Annual Report to Stockholders, are available free of charge at <http://www.cabotog.com/2011AnnualMeeting>.

CABOT OIL & GAS CORPORATION

840 Gessner Road, Suite 1400

Houston, Texas 77024

PROXY STATEMENT

Annual Meeting of Stockholders

To Be Held May 3, 2011

GENERAL INFORMATION

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of Cabot Oil & Gas Corporation (the Company) of proxies for use at its 2011 Annual Meeting of Stockholders, to be held at the Company's offices, 840 Gessner Road, Suite 1400, Houston, Texas 77024 on Tuesday, May 3, 2011, at 8:00 a.m. (local time), or any adjournment or postponement thereof (the Annual Meeting), for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders. You may revoke your proxy at any time prior to its use by a written communication to Ms. Lisa A. Machesney, Corporate Secretary of the Company, or by a duly executed proxy bearing a later date.

Stockholders attending the Annual Meeting may vote their shares in person even though they have already executed a proxy. Properly executed proxies not revoked will be voted in accordance with the specifications thereon at the Annual Meeting and at any adjournment or postponement thereof. Proxies on which no voting instructions are indicated will be voted:

FOR	Proposal I	the election of candidates named herein;
FOR	Proposal II	ratification of the appointment of the firm PricewaterhouseCoopers LLP as the independent registered public accounting firm for the Company for its 2011 fiscal year;
FOR	Proposal III	the approval of the advisory vote on executive compensation; and
1 YEAR	Proposal IV	the frequency of future advisory votes on executive compensation.

Proxies will be voted in the best judgment of the proxy holders on any other matters that may properly come before the meeting.

Only holders of record of the Company's Common Stock, par value \$.10 per share (Common Stock), as of the close of business on March 15, 2011, are entitled to vote at the Annual Meeting. As of that date, the Company had outstanding and entitled to vote 104,237,120 shares of Common Stock.

Each share of Common Stock is entitled to one vote per share. There is no provision for cumulative voting. A quorum for the consideration of business at the Annual Meeting consists of a majority of all outstanding shares of stock entitled to vote at the Annual Meeting. The Proxy Statement and form of Proxy are being first sent or given to shareholders on or about March 28, 2011.

In accordance with Delaware law, a stockholder entitled to vote for the election of directors can withhold authority to vote for all nominees for director or can withhold authority to vote for certain nominees for director. Abstentions and broker non-votes (proxies submitted by brokers that do not indicate a vote for a proposal because they do not have discretionary voting authority and have not received instructions as to how to vote on that proposal) are counted as present in determining whether the quorum requirement is satisfied. For purposes of determining the outcome of any question as to which the broker has physically indicated on the proxy that it does not have discretionary authority to vote, these shares will be treated as not present and not entitled to vote with respect to that question, even though those shares are considered entitled to vote for quorum purposes and may be entitled to vote on other questions.

Brokers holding shares must vote according to specific instructions they receive from the beneficial owners of those shares. If brokers do not receive specific instructions, brokers may in some cases vote the shares in their discretion. However, the New York Stock Exchange (the NYSE) precludes brokers from exercising voting discretion on certain proposals without specific instructions from the beneficial owner. Importantly, NYSE rules now prohibit brokers holding shares in street name for their beneficial holder clients from voting in uncontested director elections or on advisory votes regarding executive

compensation or frequency of those votes on behalf of the clients without receiving specific voting instructions from those clients. Under NYSE rules, brokers will have discretion to vote on Proposal II (ratification of appointment of auditor). Brokers cannot vote on Proposal I (the election of directors), Proposal III (advisory vote on executive compensation) or Proposal IV (frequency of future advisory votes on executive compensation) without instructions from the beneficial owners. If you do not instruct your broker how to vote on the election of directors, your broker will not vote for you.

Because the vote required for approval of Proposal II and Proposal III is a majority of the shares present in person or by proxy at the meeting and entitled to vote on the proposal, abstentions will have the same effect as votes against the proposal, but broker non-votes will not affect the outcome of the voting on the proposal.

The frequency of the advisory vote on executive compensation (Proposal IV) receiving the greatest number of votes (every one, two or three years) will be considered the frequency recommended by stockholders. Abstentions and broker non-votes will therefore have no effect on such vote.

PROPOSAL I.

ELECTION OF DIRECTORS

The Board of Directors is divided into three classes of directors serving staggered three-year terms. Dan O. Dinges, James R. Gibbs and William P. Vititoe are currently directors and have been nominated for election at the Annual Meeting for terms of three years, each to hold office until the expiration of his term in 2014 and until his successor shall have been elected and shall have qualified.

It is the intention of the persons named in the enclosed form of proxy to vote such proxies **FOR** the election of Messrs. Dinges, Gibbs and Vititoe for terms of three years. If any one of the nominees is not available at the time of the Annual Meeting to serve, proxies received will be voted for substitute nominees to be designated by the Board of Directors or, in the event no such designation is made by the Board, proxies will be voted for a lesser number of nominees. In no event will the proxies be voted for more than the number of nominees set forth above.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF MESSRS. DINGES, GIBBS AND VITITOE TO THE BOARD OF DIRECTORS.

Certain Information Regarding Nominees and Directors

Set forth below, as of March 1, 2011, for each current director and for each nominee for election as a director of the Company, is information regarding age, position(s) with the Company, membership on committees of the Board of Directors, the period served as a director and term of office, business experience during at least the past five years, and other directorships held at any time during the past five years. Mr. Dinges, Chairman, President and Chief Executive Officer, is the only employee or former employee of the Company on the Board of Directors.

Rhys J. Best

Age: 64

Director Since: July 2008

Committee Memberships: Audit, Safety and Environmental Affairs

Term of Office Expires: 2012

Business Experience:

Crosstex Energy L.P.

Non-Executive Chairman of the Board February 2009 to present

Seren Management LLC (private investment company)

President - 2007 to present

Lone Star Technologies, Inc.

Chairman and Chief Executive Officer 1999 to 2007

Other Directorships:

Crosstex Energy L.P.

Trinity Industries, Inc.

Austin Industries, Inc.

McJunkin Red Man Corporation

Commercial Metals Company

Lone Star Technologies, Inc. (until 2007)

David M. Carmichael

Age: 72

Director Since: 2006

Committee Memberships: Corporate Governance and Nominations (Chairman),

Compensation, Executive

Term of Office Expires: 2013

Business Experience:

Private Investor (securities and energy investment) - 1996 to present

KN Energy, Inc.

Vice Chairman and Chairman of the Management Committee - 1994 to 1996

American Oil & Gas Corporation (merged with KN Energy, Inc. in 1994)

Chairman, Chief Executive Officer and President - 1985 to 1994

Other Directorships:

Natural Resource Partners L.P.

Texas Heart Institute

Dan O. Dinges

Age: 57

Director Since: 2001

Committee Memberships: Executive

Position: Chairman, President and Chief Executive Officer

Term of Office Expires: 2011 (Nominee for Director)

Business Experience:

Cabot Oil & Gas Corporation

Chairman, President and Chief Executive Officer - May 2002 to present

President and Chief Operating Officer - September 2001 to May 2002

Samedan Oil Corporation (a subsidiary of Noble Affiliates, Inc., now Noble Energy Inc.)

Senior Vice President and Division General Manager, Offshore Division - 1998 to September 2001

Vice President and Division General Manager, Offshore Division - 1989 to 1998

Division General Manager, Offshore Division - 1986 to 1989

Division Landman, Offshore Division 1981 to 1986

Mobil Oil Corporation

Land Supervisor - 1978 to 1981

Other Directorships:

United States Steel Corporation

American Exploration & Production Council

American Natural Gas Alliance

Spitzer Industries, Inc.

Foundation for Energy Education

Boy Scouts of America - Sam Houston Area Council

Palmer Drug Abuse Program

Lone Star Technologies, Inc. (until 2007)

James R. Gibbs

Age: 66

Director Since: 2010

Committee Memberships: Audit, Corporate Governance and Nominations

Term of Office Expires: 2011 (Nominee for Director)

Business Experience:

Frontier Oil Corporation (formerly Wainoco Oil Corporation)

Chairman 2009 to 2010

Chairman, President, Chief Executive Officer - 1999 to 2009

Director, President, Chief Executive Officer 1992 to 1999

Other Directorships/Trusteeships:

Frost National Bank Houston (Advisory Director)

Southern Methodist University

Smith International, Inc. (until 2010)

Veritas DGC Inc. (until 2006)

Robert L. Keiser

Age: 68
Director Since: 2006
Committee Memberships: Safety and Environmental Affairs (Chairman), Audit
Term of Office Expires: 2013
Business Experience:
Retired June 1999
Kerr-McGee Corporation
Chairman of the Board - February 1999 to June 1999
Oryx Energy Company (merged with Kerr-McGee Corporation)
Chairman and Chief Executive Officer - 1995 to February 1999
Other Directorships:
Lone Star Technologies, Inc. (until 2007)

Robert Kelley

Age: 65
Director Since: 2003
Committee Memberships: Audit (Chairman), Safety and Environmental Affairs
Term of Office Expires: 2012
Business Experience:
Kellco Investments, Inc. (private investment company)
President - April 2001 to present
Noble Affiliates, Inc.
Chairman of the Board - 1992 to April 2001
President and Chief Executive Officer - 1986 to October 2000
Other Directorships:
OGE Energy Corporation
Smith International, Inc. (until 2010)
Lone Star Technologies, Inc. (until 2007)

P. Dexter Peacock

Age: 69
Director Since: 1998
Committee Memberships: Executive (Chairman), Compensation, Corporate Governance and
Nominations
Position: Lead Director
Term of Office Expires: 2012
Business Experience:
Andrews Kurth L.L.P., Houston, Texas
Of Counsel - 1998 to present
Partner - 1975 to 1997
Managing Partner - 1986 to 1991
Other Directorships:
Rowan Companies, Inc.

William P. Vititoe

Age: 72

Director Since: 1994

Committee Memberships: Compensation (Chairman), Corporate Governance and Nominations

Term of Office Expires: 2011 (Nominee for Director)

Business Experience:

Retired May 1998

Consultant to Puget Sound Energy, Inc. - February 1997 to May 1998

Washington Energy Company

Chairman of the Board, Chief Executive Officer and President - January 1994 to February 1997

ANR Pipeline Company

President and Chief Executive Officer - October 1990 to December 1993

Other Directorships:

Amerisure Inc.

Aegis Technologies

CORPORATE GOVERNANCE MATTERS

Board of Directors Independence

The Company's Corporate Governance Guidelines require that at least a majority of the Company's directors be independent under the New York Stock Exchange (NYSE) listing standards and all other applicable legal requirements. Additionally, all members of the audit committee, compensation committee and corporate governance and nominations committee are required to be independent. The NYSE listing standards include objective tests that can disqualify a director from being treated as independent, as well as a subjective element, under which the Board must affirmatively determine that each independent director has no material relationship with the Company or management. In making its independence determinations, the Board considered all material relationships with each director, and all transactions since the start of 2008 between the Company and each director nominee, members of their immediate families or entities associated with them.

As contemplated by NYSE rules then in effect, the Board adopted categorical standards in 2004 to assist it in making independence determinations. Under the rules then in effect, relationships that fell within the categorical standards were not required to be disclosed in the proxy statement and their impact on independence was not required to be separately discussed. A relationship falls within these categorical standards if it:

Is a type of relationship addressed in Section 303A2(b) of the NYSE Listed Company Manual, but under those rules does not preclude a determination of independence;

Is a type of relationship or transaction addressed in Item 404 of Regulation S-K, but under that regulation does not require disclosure; or

Consists of charitable contributions by the Company to an organization where a director is an executive officer and does not exceed the greater of \$1 million or 2% of the organization's gross revenue in any of the last three years.

The Board of Directors has determined that each director's relationship with the Company, with the exception of Mr. Dinges, the Chairman, President and Chief Executive Officer, falls within the categorical standards and that all directors, with the exception of Mr. Dinges, are independent. In making its subjective determination that each non-employee director is independent, the Board reviewed and discussed additional information provided by the directors and the Company with regard to each director's business and personal activities as they may relate to the Company and the Company's

management. The Board considered the transactions in the context of the NYSE's objective listing standards, the categorical standards noted above, the additional standards established for members of audit committees, and the SEC and U.S. Internal Revenue Service standards for compensation committee members. Some members of the Company's Board also serve as directors of other entities with which the Company does business. Each of these relationships is reviewed by the Company's Board, which examines the amount of business done by the Company and the gross revenue for each of the other entities. This review is for each of the last three fiscal years for which financial data is available. This review applied to Messrs. Best, Kelley and Peacock. None of these relationships involved payments either in excess of 3% of the Company's consolidated revenues or in excess of the greater of \$1 million or 2% of the relevant entity's consolidated gross revenue for 2008, 2009 or 2010.

Based on all of the foregoing, the Board made a subjective determination as required by NYSE rules that, because of the nature of the transaction, the director's relationship with the entity and/or the amount involved, no relationships exist that, in the opinion of the Board, would impair the director's independence. Further, the Board of Directors has determined that all members of the audit committee, compensation committee and corporate governance and nominations committee are independent.

Board of Directors Qualifications

Mr. Dinges was chosen to serve on the Board of Directors, and to lead the Company as Chairman of the Board, President and CEO, for his executive management experience at the Company and while at Noble Energy Inc., a publicly traded company involved in the oil and natural gas business. Mr. Best was chosen to serve on the Board of Directors for his executive management experience at Lone Star Technologies, Inc., a former publicly traded company servicing the oil and natural gas industry, and for his banking and finance experience. Mr. Carmichael was chosen to serve on the Board of Directors for his executive management experience at KN Energy, Inc. and American Oil & Gas Corporation, both former publicly traded companies involved in the energy industry. Mr. Gibbs was selected to serve on the Board of Directors for his executive management experience at Frontier Oil Corporation, a publicly traded oil refining company. Mr. Keiser was selected to serve on the Board of Directors for his executive management experience at Kerr-McGee Corporation and Oryx Energy Company, both former publicly traded companies involved in the energy industry, and for his engineering background. Mr. Kelley was selected to serve on the Board of Directors for his executive management experience at Noble Energy Inc., and for his financial background as a Certified Public Accountant. Mr. Peacock was selected to serve on the Board of Directors for his business experience managing a large professional organization and for his legal experience representing energy companies in corporate law, securities matters and mergers and acquisitions at Andrews Kurth L.L.P. Mr. Vititoe was chosen to serve on the Board of Directors for his executive management experience at Washington Energy Company and ANR Pipeline Company, both former publicly traded companies involved in the energy industry.

Board of Directors Diversity

The Board of Directors does not have a formal diversity policy. The board considers candidates that will make the board as a whole reflective of a range of talents, skills, diversity and expertise, particularly in the areas of (i) management, (ii) strategic planning, (iii) accounting and finance, (iv) corporate governance, and (v) the oil and natural gas industry sufficient to provide sound and prudent guidance about the Company's operations and interests.

Board of Directors Leadership Structure

Mr. Dinges serves as the Chairman of the Board, the President and the Chief Executive Officer of the Company. Mr. Peacock serves as the Lead Director. With the separate Lead Director, the Board of Directors believes that the combined role of Chairman and CEO strengthens the communication between the Board of Directors and Company management. Mr. Peacock, as Lead Director, serves as a mentor to Mr. Dinges (along with the other board members) and his specific responsibilities are to preside over an executive session of the non-management and independent directors at each regularly scheduled meeting of the Board of Directors and to serve as a liaison between Mr. Dinges and the independent directors.

Board of Directors Oversight of Risk

The Board of Directors oversees the Company's risk management through the audit committee. Annually and with the assistance of the Company's internal auditors, KPMG LLP, a thorough review of risk factors is presented to and discussed by the audit committee. This process elicits areas of concern that are thereafter reviewed and audited, if appropriate. Results of these reviews and audits are presented to the audit committee throughout the year. The audit committee reports the results of these reviews and audits to the entire board throughout the year.

Corporate Governance Guidelines

In 2003, the Board of Directors adopted the Cabot Oil & Gas Corporation Corporate Governance Guidelines. These guidelines outline the functions and responsibilities of the Board, director qualifications, and various processes and procedures designed to ensure effective and responsive governance. The guidelines are reviewed from time to time, most recently in February 2011, in response to changing regulatory requirements and best practices and are revised accordingly. The full text of the Corporate Governance Guidelines can be found on the Company's website at www.cabotog.com by clicking Investor Info, and then clicking Governance.

Code of Business Conduct

All employees, officers and directors are required to comply with the Company's long-standing Code of Business Conduct to help ensure that the Company's business is conducted in accordance with the highest standards of moral and ethical behavior. The Code of Business Conduct covers all areas of professional conduct, including conflicts of interest, customer relationships, insider trading, financial disclosure, intellectual property and confidential information, as well as requiring strict adherence to all laws and regulations applicable to the Company's business. Employees, officers and directors annually are required to reply to a Code of Conduct Questionnaire, which is designed to elicit information related to any known or possible violation of the Code. The full text of the Code of Business Conduct can be found on the Company's website at www.cabotog.com by clicking Investor Info, and then clicking Governance.

Executive Sessions of the Board of Directors

The Board of Directors generally holds an executive session of the non-management and independent directors during each of its regularly scheduled meetings. The executive sessions are presided over by the Lead Director, Mr. Peacock.

Communications with the Board of Directors

The Company's Board of Directors has a process for shareholders and other interested parties to send communications to the Board. Communications should be addressed to the Board of Directors, a specified committee of the Board, an individual director (including the Lead Director) or the Non-management Directors in care of:

Vice President, Managing Counsel and Corporate Secretary

Corporate Legal Department

840 Gessner, Suite 1400

Houston, Texas 77024

(281)589-4891

(281)589-4808 (fax)

(Outside the U.S. or U.S. long distance-call collect)

lisa.machesney@cabotog.com (email)

All communications received as described above and intended for the Board of Directors, a committee of the Board of Directors, an individual director, or the non-management directors as a group will be relayed to the appropriate directors.

Annual Meeting Attendance

The Company's policy is that it expects all members of the Board of Directors to attend the Company's annual meeting of stockholders. In 2010, all of the members of the Board attended the annual meeting.

Board of Directors and Committee Meeting Attendance

The Board of Directors held nine meetings during 2010. All directors attended 100% of the meetings of the Board of Directors and of the committees held.

Director Compensation

During 2010, non-employee directors' annual compensation was based upon a fee of \$55,000, payable quarterly, for their services on the Company's Board of Directors and its committees. The Audit Committee Chairman and the Compensation Committee Chairman receive an additional \$12,500 annual retainer, the remaining committee chairmen receive an additional \$7,500 annual retainer and the Lead Director receives an additional \$12,500 annual retainer, each payable quarterly, for their service. There are no per meeting fees paid.

Non-employee directors currently receive an annual award of restricted stock units with a targeted award value at grant date of \$160,000. In 2010 these directors each received 3,890 restricted stock units under the 2004 Incentive Plan, the restrictions on which lapse the date the non-employee director leaves the Board of Directors.

Directors who are employees of the Company receive no additional compensation for their duties as directors. All directors were reimbursed for travel expenses incurred for attending Board and committee meetings. Spouses of the directors were invited to attend one meeting during 2010 and travel expenses incurred by the spouses were reimbursed by the Company. For more information on director compensation, see Director Compensation Table below.

The table below summarizes the total compensation paid to each of the non-employee directors of the Company for the fiscal year ended December 31, 2010.

DIRECTOR COMPENSATION TABLE

Name	Fees Earned or Paid in Cash	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Change in Pension	All Other Compensation	Total
	(\$)	(\$)	(\$)	(\$)	Value and Nonqualified Deferred Compensation Earnings	(\$)	(\$)
		(1) (2)	(2)			(3)	
Rhys J. Best	\$55,000	\$160,074	-	-	-	\$1,158	\$216,232
David M. Carmichael	\$62,500	\$160,074	-	-	-	\$2,333	\$224,907
James R. Gibbs	\$18,333	\$120,000	-	-	-	\$2,851	\$141,184
Robert L. Keiser	\$62,500	\$160,074	-	-	-	\$4,989	\$227,563
Robert Kelley	\$66,875	\$160,074	-	-	-	\$6,124	\$233,073
P. Dexter Peacock	\$73,750	\$160,074	-	-	-	\$6,367	\$240,191
William P. Vititoe	\$66,250	\$160,074	-	-	-	\$8,749	\$235,073

- (1) The amounts in this column reflect the grant date fair value with respect to restricted stock units in accordance with ASC Topic 718 for the fiscal year ended December 31, 2010. Assumptions used in the calculation of these amounts are included in Note 12 of the Notes to the Consolidated Financial Statements included in the Form 10-K. In February 2010, each non-employee director received a grant of 3,890 restricted stock units, with a grant date fair value of \$160,074 based on the average of the high and low trading price of the Common Stock on February 19, 2010, the grant date. Mr. Gibbs joined the board of directors on June 14, 2010 and received a grant of 3,621 restricted stock units with a grant date fair value of \$120,000. The restricted stock units vest on the grant date and are paid in shares of Common Stock on the date the non-employee director ceases to be a director of the Company.

(2) The aggregate number of stock awards and the aggregate number of option awards outstanding at December 31, 2010 were as follows:

Name	Stock Awards	Stock Options
Rhys J. Best	10,620	-
David M. Carmichael	20,417	-
James R. Gibbs	3,621	-
Robert L. Keiser	20,417	15,000
Robert Kelley	29,017	-
P. Dexter Peacock	29,017	-
William P. Vititoe	29,017	-

(3) The amounts in this column include for each director some or all of the following:

A quarterly dividend of \$.03 per share paid on the restricted stock units awarded in 2010 and in prior years.

Spouse travel to the September 2010 Board of Directors meeting and related expenses.

Director Retirement

It is the policy of the Board of Directors that directors of the Company retire at the Annual Meeting following a director's 73rd birthday, unless a determination is otherwise made by the Board of Directors.

Information on Standing Committees of the Board of Directors

The Board of Directors has five standing committees: the Corporate Governance and Nominations Committee, the Audit Committee, the Compensation Committee, the Safety and Environmental Affairs Committee and the Executive Committee. Membership on each committee during 2010 is as discussed below. All standing committees, with the exception of the Executive Committee, are composed entirely of independent, non-employee directors.

Corporate Governance and Nominations Committee The Corporate Governance and Nominations Committee (the CGN Committee) is composed of four members: Messrs. Carmichael (Chairman), Gibbs, Peacock and Vititoe. During 2010, the CGN Committee held two meetings. Each member of the CGN Committee satisfies the independence requirements of the NYSE listing standards. The CGN Committee Charter is available to shareholders on the Company's website at www.cabotog.com by clicking Investor Info, and then clicking Governance.

The CGN Committee will consider director candidates recommended by shareholders. Under its charter, the CGN Committee seeks out and evaluates qualified candidates to serve as Board members as necessary to fill vacancies or the additional needs of the Board, and considers candidates recommended by shareholders and management of the Company. Any stockholder desiring to propose a nominee to the Board of Directors should submit such proposed nominee for consideration by the CGN Committee, including the proposed nominee's qualifications, to Ms. Lisa A. Machesney, Corporate Secretary, Cabot Oil & Gas Corporation, 840 Gessner Road, Suite 1400, Houston, Texas 77024.

The CGN Committee seeks to select candidates who have personal and professional integrity, who have demonstrated ability and judgment and who shall be effective, in conjunction with the other nominees and Board members in collectively serving the long-term interests of the shareholders.

The CGN Committee generally identifies nominees through recommendations made by incumbent directors. A resume is reviewed and, if merited, an interview follows. A qualified candidate identified by a shareholder follows the same committee process. There are no differences in the manner in which the CGN Committee evaluates nominees for director based on whether the nominee is recommended by a shareholder or recommended by the incumbent directors.

Audit Committee The Audit Committee is composed of four members: Messrs. Kelley (Chairman), Best, Gibbs and Keiser. During 2010, the Audit Committee held four meetings. Each member of the Audit Committee satisfies the financial

literacy and independence requirements of the NYSE listing standards. The Board has determined that Mr. Kelley meets the requirements of an audit committee financial expert as defined by the Securities and Exchange Commission. The Audit Committee Charter is available to shareholders on the Company's website at www.cabotog.com by clicking Investor Info, and then clicking Governance.

The function of the Audit Committee is to review and report to the Board of Directors with respect to various auditing and accounting matters, including overseeing the integrity of the financial statements of the Company, the compliance by the Company with legal and regulatory requirements, the selection, independence, qualifications, performance and compensation of the Company's independent auditors and the performance of the Company's internal audit function.

It is the policy of the Audit Committee to pre-approve all audit, review or attest engagements and permissible non-audit services, including the fees and terms thereof, to be performed by the independent auditors, subject to, and in compliance with, the *de minimis* exception for non-audit services described in Section 10A(i)(1)(B) of the Securities Exchange Act of 1934 and the applicable rules and regulations of the SEC.

The Audit Committee has delegated to each member of the Audit Committee authority to pre-approve permissible services to be performed by the independent auditors. Decisions of a member to pre-approve permissible services must be reported to the full Audit Committee at its next scheduled meeting.

Compensation Committee The Compensation Committee is composed of three members: Messrs. Vittoe (Chairman), Carmichael and Peacock. During 2010, the Compensation Committee held four meetings. Each member of the Compensation Committee satisfies the independence requirements of the NYSE listing standards. The Compensation Committee Charter is available to shareholders on the Company's website at www.cabotog.com by clicking Investor Info, and then clicking Governance.

The function of the Compensation Committee is to:

- Review and approve corporate goals and objectives relevant to the CEO's compensation, evaluate the CEO's performance in light of those goals and objectives, and determine, subject to ratification by the Board, the CEO's compensation level based on this evaluation.
- Provide counsel and oversight of the evaluation and compensation of management of the Company, including base salaries, incentive compensation and equity based compensation.
- Discharge any duties imposed on the Compensation Committee by the Company's incentive compensation and equity based compensation plans, including making grants.