

CABOT OIL & GAS CORP
Form DEF 14A
March 22, 2016
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 ss.240.14a-12

(Name of Registrant as Specified In Its Charter)

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

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No fee required.

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(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Notice of 2016 Annual Meeting of Stockholders and Proxy Statement

840 Gessner Road, Suite 1400, Houston, Texas 77024 | Wednesday, May 4, 2016, 8:00 a.m. (Central Time)

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of Cabot Oil & Gas Corporation to be held on Wednesday, May 4, 2016, at 8:00 a.m., Central 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 for director. 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

March 22, 2016

Notice of Annual Meeting of Stockholders

May 4, 2016

8:00 a.m., Central Time,

840 Gessner Road, Suite 1400, Houston, Texas 77024

Purpose of the Meeting:

1. To elect each of the six persons named in this proxy statement to the Board of Directors of the Company for a one-year term.
2. To ratify the appointment of the firm PricewaterhouseCoopers LLP as the independent registered public accounting firm for the Company for its 2016 fiscal year.
3. To approve, by non-binding advisory vote, the compensation of our named executive officers.
4. To consider two shareholder proposals, if properly presented at the meeting.
5. To transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

Each of these items is fully described in the attached proxy statement, which is made a part of this Notice.

Record date:

Only holders of record of our common stock on March 7, 2016 will be entitled to notice of and to vote at the Annual Meeting.

Voting Procedures:

Please vote your shares as promptly as possible, even if you plan to attend the Annual Meeting, by one of the following methods:

- By internet, using the instructions on the proxy card or voting instruction form received from your broker or bank;

By telephone, using the instructions on the proxy card or voting instruction form received from your broker or bank (if available); or

By mail, by completing and returning the enclosed proxy card or voting instruction form in the postage-paid envelope provided.

You may also vote in person if you attend the Annual Meeting.

If you plan to attend the Annual Meeting: 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 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.

March 22, 2016

By Order of the Board of Directors,

Deidre L. Shearer

Corporate Secretary and Managing Counsel

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PROXY SUMMARY

This summary highlights information described in other parts of this proxy statement, and does not contain all of the information you should consider in voting. Please read the entire proxy statement before voting. For more complete information regarding our 2015 financial and operating performance, please review our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, which accompanies this Proxy Statement.

Annual Meeting Information

Date and Time	Place
May 4, 2016	840 Gessner Road, Suite 1400
8:00 a.m. Central Time	Houston, Texas 77024
Record Date	Voting
March 7, 2016	Only holders of record of our common stock will be entitled to notice of
Shares Outstanding: 474,891,615	and to vote at the Annual Meeting.

Voting Methods

Method	Instruction
	log onto www.proxyvote.com and use the instructions on the proxy card or voting instruction form received from your broker or bank;
By internet	dial 1.800.690.6903 and use the instructions on the proxy card or voting instruction form received from your broker or bank (if available); or
By telephone	by completing and returning the enclosed proxy card or voting instruction form in the postage-paid envelope provided.
By mail	

Matters to be Voted on and Recommendation

Proposal	Matter	Board Vote Recommendation	Page Reference
1.	The election of director candidates named herein;	FOR	12
2.	Ratification of the appointment of the firm PricewaterhouseCoopers LLP as the independent registered public accounting firm for the Company for its 2016 fiscal year;	FOR	59
3.	The approval on an advisory basis of executive compensation;	FOR	59

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4.	A shareholder proposal to provide a report on the Company's political contributions, if properly presented at the meeting; and	AGAINST	60
5.	A shareholder proposal to amend the Company's "proxy access" bylaw, if properly presented at the meeting.	AGAINST	63

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Director Nominees

Name	Independent Director	Age	Years Served	Primary Occupation	Committee Memberships ⁽¹⁾	Other Public Company Boards
Dan O. Dinges	N	62	14	Chairman, President and CEO of Cabot Oil & Gas Corporation	E	United States Steel Corporation
Dorothy M. Ables	Y	58	*	Chief Administrative Officer of Spectra Energy Corp.	A, C	Spectra Energy Partners, LP Trinity Industries, Inc.
Rhys J. Best	Y	69	7	Non-Executive Chairman of the Board of Austin Industries, Inc. and former Chairman and CEO of Lone Star Technologies, Inc.	A, C, CG	MRC Global Inc. Commercial Metals
Robert S. Boswell	Y	58	*	Chairman and CEO of Laramie Energy II, LLC	A, S	Company Enerflex, Ltd. (Canadian)
Robert Kelley	Y	70	12	Retired Chairman and former President and CEO of Noble Affiliates, Inc. (now Noble Energy Inc.)	A, CG, S, E	OGE Energy Corporation
W. Matt Ralls	Y	66	4	Chairman and former CEO and President of Rowan Companies plc	C, CG, S, E	Rowan Companies plc Superior Energy Services, Inc.

*Board member since 12/01/2015

Average director tenure: 6.2 years

(1) *Bold font indicates Chairman of Committee*

A Audit Committee

C Compensation Committee

CG Corporate Governance & Nominations Committee

S Safety & Environmental Affairs Committee

E Executive Committee

Governance Highlights

• Proxy access for stockholders

• Director orientation and continuing education

• A declassified Board

• Majority voting for director elections

• Average director tenure is 6.2 years

• Our CEO is the only non-independent director

• An independent lead director chairs executive sessions of independent directors at each regular Board meeting

• Separate Board committee devoted entirely to safety and environmental matters

• Political contributions disclosures on our website

• Annual Board and committee self-assessments

• Active Board oversight of Company risks

• Sustainability disclosures on our website

• Stockholders may act by written consent

• No poison pill

⚡Mandatory director retirement at age 73

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2015 Financial and Operational Highlights

In spite of the challenges in the energy industry that began in the second half of 2014 and continued during 2015, our business strategy of delivering value by growing reserves and production in a cost-effective manner continued to deliver solid operational results in 2015. Specifically:

- ▣ Total year-end proved reserves grew to 8.2 Tcfe in 2015, a 10.7% increase over 2014;
- ▲ Absolute production was 602.5 Bcfe, 13.3% higher than 2014 production; and
- The Company's "all sources" finding cost was \$0.57 per Mcfe for 2015 and \$0.62 per Mcfe over the last three year period.

These recent achievements are consistent with the positive trend in these operating metrics experienced over the last several years, as highlighted below.

This substantial growth in reserves and production over the last three years has been accompanied by a 20% decline in our finding costs per unit and a 36% decline in our total operating costs per unit. These achievements translated into top tier operating performance for this period. As indicated below, during a five year period, our TSR outpaced an index of our peer group.

*Antero Resources Corp., Chesapeake Energy Corp., Cimarex Energy Company, Concho Resources Inc., Continental Resources Inc.,
*Devon Energy Corp., Encana Corp., EQT Corp., Marathon Oil Corp., Murphy Oil Corp., Newfield Exploration Company,
Noble Energy Inc, Pioneer Natural Resources Company, QEP Resources Inc., Range Resources Corp., Southwestern Energy Company.*

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Executive Compensation Highlights

What we do:

Emphasis on long-term, performance-based equity compensation (p.30)
Short-term incentive compensation based on disclosed performance metrics (with payout caps) (p.35)
Substantial stock ownership and retention requirements for executive officers and directors (p.40)
Disclose CEO realizable compensation (p. 30)
Provide for “double trigger” payouts in change-of-control agreements (p.39)
Limited terms for SARs (p.37)
Hold annual advisory “say-on-pay” vote (p.59)
Use an independent compensation consultant (p.41)

What we don’t do:

No hedging of company stock by executive officers or directors
No excise tax gross-ups for executive officers appointed after 2010
No vesting of equity awards after retirement if competing with company
No re-pricing or discounting of options or SARS
No performance metrics that would encourage excessive risk-taking
No dividend equivalents paid to executive officers on unvested equity awards until vested

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PROPOSAL 1 ELECTION OF DIRECTORS

The size of the Board of Directors is currently set at seven members, each of whose terms expire in 2016. Effective upon the date of the 2016 Annual Meeting, however, the size of the Board of Directors will be reduced to six to reflect the retirement of Robert L. Keiser, one of our current directors, pursuant to our mandatory director retirement policy. Accordingly, the Board of Directors has nominated six directors to be elected at the 2016 Annual Meeting. The Board is fully declassified and all directors will stand for election for one-year terms.

Each of the nominees are currently directors and have been nominated for election at the 2016 Annual Meeting for terms of one year, each to hold office until the expiration of his or her term in 2017 and until his or her successor shall have been elected and shall have qualified. The business experience of each nominee as well as the qualifications that led our Board to select each nominee for election to the Board is discussed below.

The Board believes that the combination of the various qualifications, skills and experiences of the 2016 director nominees would contribute to an effective and well-functioning Board. Whether nominated by a shareholder or through the activities of the Committee, the Corporate Governance and Nominations Committee seeks to select candidates who have:

- personal and professional integrity;
- a record of achievement, and a position of leadership in his/her field with the interest and intellect to be able to address energy industry challenges and opportunities;
- the ability to think strategically and the insight to assist management in placing the Company in a competitive position within the industry; and
- the time to attend Board meetings and the commitment to devote any reasonable required additional time to deal with Company business.

The Board and the CGN Committee believe that, individually and as a whole, the Board possesses the necessary qualifications, varied tenure and independence to provide effective oversight of the business and quality advice and counsel to the Company's management.

The persons named in the enclosed form of proxy intend to vote such proxies **FOR** the election of each of the nominees for terms of one year. 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 EACH OF THE NOMINEES TO THE BOARD OF DIRECTORS.

Certain Information Regarding Nominees

Set forth below, as of March 1, 2016, for each nominee for election as a director of the Company, is biographical information and information regarding the business experience, qualifications and skills of each director nominee that led the Board to conclude that the director is qualified to serve on our Board. Mr. Dinges, Chairman, President and Chief Executive Officer, is the only employee or former employee of the Company on the Board of Directors.

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Dorothy M. Ables

Age: 58

Director Since: 2015

Committee Memberships: Audit, Compensation

Business Experience:

•Spectra Energy Corp

-Chief Administrative Officer – November 2008 to present

-Vice President, Audit Services and Chief Ethics & Compliance Officer – 2007 to November 2008

• Duke Energy Corporation

- Vice President, Audit Services – 2004 to
- 2006

•Duke Energy Gas Transmission

-(Senior) Vice President and Chief Financial Officer – 1998 to 2004

Other Directorships:

•Spectra Energy

Partners, LP

-2013 to present

Key skills, attributes and qualifications:

Ms. Ables was appointed to our Board of Directors in December 2015 and is being nominated for election by the stockholders for the first time. Ms. Ables brings a depth of experience in the transportation aspects of our industry, having served in positions of leadership with Spectra Energy Corp and its predecessor companies for over 30 years, as well as extensive financial expertise to our Board. The Board considered Ms. Ables' extensive experience in the pipeline, processing and midstream business as adding value to our stockholders at a time in our business when transportation is crucial to our strategy. Ms. Ables' financial expertise acquired through serving as Chief Financial Officer of Duke Energy Gas Transmission and later as Vice President of Audit Services of both Spectra Energy Corp

and Duke Energy was also a key attribute leading to her appointment. Most recently, Ms. Ables has gained executive experience as the Chief Administrative Officer of Spectra Energy Corp, with responsibility for human resources, information technology, community relations and support services. Ms. Ables has prior governance experience gained from service on the Board of Directors for Spectra Energy's publicly traded master limited partnership, Spectra Energy Partners, LP, and is very active in community and charitable endeavors, including serving on the Board of Trustees of United Way of Greater Houston since 2008. This diversity of background and leadership experience makes her a valuable addition to our Board and to the Audit and Compensation Committees of our Board.

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Rhys J. Best

Age: 69

Director Since: 2008

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

Business Experience:

- Austin Industries, Inc.
-Non-Executive Chairman of the Board – 2012 to present
- Crosstex Energy L.P.
-Chairman of the Board (non-executive) – 2009 to March 2014
- Lone Star Technologies, Inc.
-Chairman and Chief Executive Officer – 1999 to 2007

Other Directorships:

- Crosstex Energy L.P. (until 2014)
- Trinity Industries, Inc.
- MRC Global Inc.
- Commercial Metals Company

Key skills, attributes and qualifications:

Mr. Best brings over 30 years of significant management, leadership, transactional and financial experience to our Board. Recently, he served as Non-executive Chairman of the Board of Crosstex Energy L.P., a large publicly traded midstream company, from 2009 through its combination with the midstream assets of Devon Energy Corporation in March 2014 to create EnLink Midstream Partners, LP, one of the largest midstream companies in the United States. This tremendous experience enables him to provide valuable insights into the transportation aspects of our business and enhances the overall strategic oversight capabilities of our Board. Mr. Best's distinguished career includes serving as Chairman and CEO of Lone Star Technologies, Inc., a former publicly traded company servicing the oil and natural gas industry, and holding positions of leadership in the banking industry. In addition to his considerable management and financial expertise, Mr. Best brings to bear an extensive corporate governance background from his current and former service on public company boards. This diverse experience enables Mr. Best to bring unique and valuable perspectives to the Board and make him particularly qualified to serve as the Chairman of the Compensation

Committee and a member of the Audit Committee of the Board. In recognition of his exemplary service on corporate boards, the National Association of Corporate Directors named Mr. Best “2014 Director of the Year.”

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Robert S. Boswell

Age: 66

Director Since: 2015

Committee Memberships: Audit, Safety and Environmental Affairs

Business Experience:

- Laramie Energy LLC
-Chairman of the Board and Chief Executive Officer – 2007 to present
- Laramie Energy I, LLC
-Chairman of the Board and Chief Executive Officer – 2004 to 2007
- Forest Oil Corporation
-Chairman of the Board and Chief Executive Officer – 1989 to 2003

Other Directorships:

- Enerflex, Ltd.
-June 2011 to present

Key skills, attributes and qualifications:

Mr. Boswell is one of the two directors to join our board in December 2015 and is being nominated for election by the stockholders for the first time. Mr. Boswell has management and operating experience as an executive in the upstream industry, and brings an extensive technical understanding of the development of oil and gas reserves, as well as financial expertise to our Board. Mr. Boswell's distinguished career includes serving as Chairman and Chief Executive Officer of exploration and production companies for over 26 years, including overseeing the turnaround of Forest Oil Corporation, a mid-sized public exploration and production company, and the sale of Laramie Energy I, a private company which he founded, for over \$1 billion. Throughout his career, Mr. Boswell has successfully led a number of upstream companies through the life cycle of capital-raising; growing reserves, production and profitability through both acquisitions and development of existing properties, and sale or merger and acquisition transactions. His most recent success with private companies Laramie Energy I and his current venture, Laramie Energy LLC, operating in the Piceance Basin, has provided him with tremendous experience in unconventional resource plays, which is relevant to the Company's operations in both the Marcellus shale and the Eagle Ford shale. He also brings extensive financial expertise gained through both acting as Chief Financial Officer of public and private companies and supervising them

as Chief Executive Officer. Mr. Boswell is currently serving as a director of Enerflex Ltd., a Canadian public company that manufactures and sells natural gas transmission and process equipment worldwide. Mr. Boswell's management, technical and financial expertise makes him an invaluable addition to our Board, as well as to the Audit and Safety and Environmental Committees of the Board.

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Dan O. Dinges

Age: 62

Director Since: 2001

Committee Memberships: Executive

Position: Chairman, President and Chief Executive Officer

Business Experience:

•Cabot Oil & Gas Corporation

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

Other Directorships:

•United States Steel Corporation

Private/Non-profit Directorships:

•Spitzer Industries, Inc. (private company)

•American Exploration & Production Council

•Foundation for Energy Education

Key skills, attributes and qualifications:

Mr. Dinges brings to the Board over 30 years of executive management experience in the oil and gas exploration and production business, and as our Chief Executive Officer for the last 14 years, a deep knowledge of our business, operations, culture and long-term strategy and goals. Mr. Dinges joined the Company in September 2001, after a successful 20 year career in various management positions with the predecessor to Noble Energy, Inc., and has overseen an era of tremendous growth for the Company. His steadfast leadership as Chairman of the Board provides the Board with extensive institutional knowledge and continuity, as well creating a vital link between management and the Board. Mr. Dinges also possesses a diversity of corporate governance experience gained from service on the

Board of United States Steel Corporation and several charitable and industry organizations.

Robert Kelley

Age: 70

Director Since: 2003

Committee Memberships: Audit (Chairman), Executive (Chairman), Corporate Governance and Nominations, Safety and Environmental Affairs

Position: Lead Director

Business Experience:

- Kellco Investments, Inc. (private investment company)

- President – April 2001 to present

- Noble Affiliates, Inc. (now Noble Energy Inc.)

- Chairman of the Board – 1992 to April 2001

- President and CEO – 1986 to October 2000

Other Directorships:

• OGE Energy Corporation

Key skills, attributes and qualifications:

Mr. Kelley's extensive experience in the financial, accounting and executive management of public energy companies, as well as corporate governance experience as a director of several public energy companies, makes him particularly valuable as a member of our Board and as our Audit Committee Chairman for the past seven years. Mr. Kelley's experience as President and CEO and later Chairman of the Board of Noble Energy Inc. provides him with valuable operational, leadership and management experience. Mr. Kelley's accounting and finance background gained while serving industry clients as a CPA for a national public accounting firm and while serving in positions of senior leadership in accounting and finance roles at a predecessor to Noble Energy also brings vital financial expertise to our Audit Committee. Mr. Kelley's 12 years of service to our Board provides a continuity of leadership and an

understanding of our business and strategy that is crucial to the effective functioning of our Board. This depth of experience with Cabot is especially valuable in his role as our Lead Independent Director since 2015.

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W. Matt Ralls

Age: 66

Director Since: 2011

Committee Memberships: Corporate Governance and Nominations (Chairman), Safety and Environmental Affairs (Chairman), Compensation, Executive

Business Experience:

- Rowan Companies plc
 - Executive Chairman – April 2014 to present
 - Chief Executive Officer – 2013 to April 2014
 - President and Chief Executive Officer – 2009 to 2013

Other Directorships:

- Rowan Companies plc
- Superior Energy Services, Inc.

Key skills, attributes and qualifications:

Mr. Ralls' diverse operational, financial and executive management experience in various roles in the oil and gas industry, including most recently within the drilling segment of the industry, provides the Board with a wealth of expertise from which to draw. Mr. Ralls' recent service as President and CEO of Rowan Companies, and his combined fifteen years' executive management experience at Rowan and GlobalSanteFe Corporation, both international contract drilling companies, provides valuable management and financial expertise and insight into an aspect of our business that represents a significant portion of our capital expenditure budget. Prior to his drilling industry experience, Mr. Ralls served as Executive Vice President of a public upstream oil and gas company, which gave him a thorough understanding of our core business. In his service to the Board, Mr. Ralls is also able to draw from his 17 years of experience in various banking management positions with three large Texas-based commercial lenders to the energy industry. Mr. Ralls' extensive public company board experience makes him an invaluable member of the Corporate Governance and Nominations Committee and Chairman since 2015. His effectiveness chairing such committee is enhanced by his positions of leadership on the boards of several industry trade associations, including the International Association of Drilling Contractors and the American Petroleum Institute.

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The following table reports beneficial ownership of the Common Stock by holders of more than five percent of the Company's Common Stock. Unless otherwise noted, all ownership information is based upon filings made by such persons with the SEC.

Name and Address of Beneficial Owner	Number of Shares of Common Stock Owned	Percent of Class
The Vanguard Group	36,735,278 ⁽¹⁾	8.87 %
Capital Research Global Investors	31,940,528 ⁽²⁾	7.70 %
Viking Global Investors LP		
O. Andreas Halvorsen	30,853,936 ⁽³⁾	7.50 %
David C. Ott		
Daniel S. Sundheim		
BlackRock, Inc.	28,169,844 ⁽⁴⁾	6.80 %
State Street Corporation	25,896,080 ⁽⁵⁾	6.30 %
FMR LLC,		
Mr. Edward C. Johnson 3d and	21,297,498 ⁽⁶⁾	5.15 %
Abigail P. Johnson		
Viking Global Performance LLC	21,118,373 ⁽⁷⁾	5.10 %

According to Amendment No. 5 to a Schedule 13G, dated February 10, 2016, filed with the Commission by The Vanguard Group (100 Vanguard Blvd., Malvern, PA 19355), it has sole voting power over 775,340 of these shares, (1) shared voting power over 40,400 of these shares, shared dispositive power over 821,722 of these shares and sole dispositive power over 35,913,556 of these shares.

According to Amendment No. 2 to a Schedule 13G, dated December 31, 2015, filed with the Commission by (2) Capital Research Global Investors (333 South Hope Street, Los Angeles, CA 90071), it has sole voting power and sole dispositive power over all 31,940,528 of these shares.

According to Schedule 13G, dated January 21, 2016, filed with the Commission by Viking Global Investors LP, or VGI, O. Andreas Halvorsen, David c. Ott and Daniel S. Sundheim (55 Railroad Avenue, Greenwich, CT 06830), they each have shared voting power and shared dispositive power over all 30,853,936 of these shares. VGI does not directly own any shares but has the authority to dispose of and vote the shares of Viking Global Equities LP, or (3) VGE, Viking Global Equities II LP, or VGEII, VGE III Portfolio Ltd., or VGEIII, Viking Long Fund Master Ltd., or VLFM, and Viking Global Opportunities Liquid Portfolio Sub-Master LP, or Opportunities Fund, and may be deemed to beneficially own those shares. The shares reported by VGI include those shares separately reported by VGE, VGEII, VGEIII, VLFM and Opportunities Fund. O. Andreas Halvorsen, David c. Ott and Daniel S. Sundheim do not directly own any shares but have shared authority to dispose of and vote the shares of VGI, and may each be deemed to beneficially own those shares.

(4) According to Amendment No. 6 to a Schedule 13G, dated January 22, 2016, filed with the Commission by BlackRock, Inc. (55 East 52nd Street, New York, NY 10055), it has sole voting power over 24,711,735 shares and

sole dispositive power over all 28,169,844 of these shares.

According to Schedule 13G, dated February 12, 2016, filed with the Commission by State Street Corporation (One (5) Lincoln Street, Boston, MA 02111), it has shared voting power and shared dispositive power over all 25,869,080 of these shares.

According to Amendment No. 4 to a Schedule 13G, dated February 12, 2016, filed with the Commission by FMR LLC, or FMR, Mr. Edward C. Johnson 3d and Abigail P. Johnson (245 Summer Street, Boston, MA 02210), FMR has sole voting power with respect to 1,212,652 of these shares and sole dispositive power over all 21,297,498 (6) shares as a result of being a parent holding company or control person of several other entities in accordance with Rule 13d-1(b)(ii)(G). Mr. Edward C. Johnson 3d and Abigail P. Johnson, together with members of their family, through direct or indirect ownership of voting common shares of FMR, may be deemed to form a controlling group with respect to FMR and may, therefore, be considered to be beneficial owners of the shares beneficially owned by FMR.

According to Schedule 13G, dated January 21, 2016, filed with the Commission by Viking Global Performance LLC, or VGP (55 Railroad Avenue, Greenwich, CT 06830), it has shared voting power and shared dispositive (7) power over all 21,118,373 of these shares. VGP does not directly own any shares but has the authority to dispose of and vote the shares of VGE and VGEII, and may be deemed to beneficially own those shares. The shares reported by VGP include those shares separately reported by VGE and VGEII.

[Back to Contents](#)**Directors and Executive Officers**

The following table reports, as of February 1, 2016, beneficial ownership of Common Stock by each director and nominee for director, by each named executive officer listed in the “Summary Compensation Table” below and by all directors, nominees and executive officers as a group. Unless otherwise indicated, the persons below have sole voting and investment power with respect to the shares of Common Stock showed as beneficially owned by them.

Name of Beneficial Owner	Number of Outstanding Shares of Common Stock Held		Number of Shares of Common Stock Beneficially Owned		Percent of Class
Dorothy M. Ables	5,000	(1)	5,381	(1)(2)	*
Rhys J. Best	15,000		102,649	(2)	*
Robert S. Boswell	0		191	(2)	*
Robert L. Keiser	100,670		236,188	(2)	*
Robert Kelley	337,652		498,889	(2)	*
W. Matt Ralls	0		43,701	(2)	*
Dan O. Dinges	3,464,119	(7)	3,835,167	(3)(4)(7)	*
Scott C. Schroeder	1,359,058	(8)	1,391,750	(4)(8)	*
Jeffrey W. Hutton	598,025		647,689	(3)(4)(5)	*
Phillip L. Stalnaker	217,952		253,983	(3)(4)(5)	*
G. Kevin Cunningham	65,188		109,040	(3)(4)(5)	*
All directors, nominees and executive officers as a group (16 individuals).			7,459,367	(1)(2)(3)(4)(5)(6)(7)	1.8% ⁽⁹⁾

* Represents less than 1% of the outstanding Common Stock.

(1) Includes 5,000 shares held by immediate family member, with respect to which Ms. Ables has shared voting and investment power.

(2) Includes the following restricted stock units held as of February 1, 2016, as to which the restrictions lapse upon the holders’ retirement from the Board of Directors: Ms. Ables, 381; Mr. Best, 87,649; Mr. Boswell 191; Mr. Keiser, 135,518; Mr. Kelley, 161,237; and Mr. Ralls, 43,701; and all directors, nominees and executive officers as a group, 428,677. No executive officers hold restricted stock units.

(3) Includes the following stock appreciation rights that are exercisable on or before April 1, 2016: Mr. Dinges, 294,804; Mr. Hutton, 39,642; Mr. Stalnaker, 26,720; Mr. Cunningham, 34,978; and all directors, nominees and executive officers as a group, 441,074. No directors or nominees hold stock appreciation rights. The SARs were granted prior to 2013 and vest ratably over a three-year period after grant and have a seven year term. For more information on the SARs, see footnote 1 to the “Outstanding Equity Awards at Fiscal Year-End 2015” table below.

(4) Includes the following shares awarded pursuant to the hybrid performance share awards granted in 2013, 2014 and 2015 that vested in February 2016, as a result of 2015 operating results meeting the performance criteria established on the date of grant: Mr. Dinges, 76,244; Mr. Schroeder, 32,692; Mr. Hutton, 10,022; Mr. Stalnaker, 9,311; Mr. Cunningham, 8,874; and all directors, nominees and executive officers as a group, 156,173. No directors or director nominees hold hybrid performance shares. For more information on the hybrid performance shares see “Long-Term Incentives” in the “Compensation Discussion and Analysis” below.

(5) Includes the following shares held in the Company’s Savings Investment Plan as of December 31, 2015 as to which the reporting person shares voting power with the trustee of the plan: Mr. Hutton, 6,759; Mr. Cunningham, 17,965; Mr. Stalnaker, 16,439; and all directors, nominees and executive officers as a group, 69,976.

- Includes the following shares awarded in 2013 pursuant to employee performance awards that vested in March*
- (6) *2015, as a result of 2015 operating results meeting the performance criteria established on the date of grant: all directors, nominees and executive officers as a group, 2,900.*
 - (7) *Includes 902,810 shares held in trust for the benefit of an immediate family member, with respect to which Mr. Dinges has shared voting and investment power.*
 - (8) *Includes 15,102 shares held by immediate family members, with respect to which Mr. Schroeder has shared voting and investment power.*
 - (9) *There were 414,058,298 shares outstanding on February 1, 2016.*

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SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's executive officers and directors to file initial reports of ownership and reports of changes in ownership of Company Common Stock with the SEC and, pursuant to rules promulgated under Section 16(a), such individuals are required to furnish the Company with copies of Section 16(a) reports they file. Based solely on a review of the copies of such reports furnished to the Company, and written representations that those reports accurately reflect all reportable transactions and holdings, all reports required by Section 16(a) were filed in 2015.

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 2013 between the Company and each director nominee, members of their immediate families or entities associated with them.

The Board has adopted categorical standards to assist it in making independence determinations. A relationship falls within these categorical standards if it:

- Is a type of relationship addressed in Section 303A.02 (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 which do 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, U.S. Internal Revenue Service and NYSE 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 Board, which examines the amount of business done by the Company and the other entities 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

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to Ms. Ables and Messrs. Best and Ralls. Based on all of the foregoing, the Board made a subjective determination that, because of the nature of the transaction, the director's relationship with the other 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.

Director Nominations and Qualifications

Under its charter, the Corporate Governance and Nominations ("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. The CGN Committee identifies nominees through a number of methods, which may include retention of professional executive search firms, use of publicly available director databases or referral services and recommendations made by incumbent directors. A resume is reviewed and, if merited, an interview follows. Any shareholder 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. Deidre L. Shearer, Corporate Secretary, Cabot Oil & Gas Corporation, 840 Gessner Road, Suite 1400, Houston, Texas 77024. Shareholders who meet certain requirements specified in our by-laws may also nominate candidates for inclusion in our proxy materials for an annual meeting as described in "General Information." 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 the incumbent directors.

Whether nominated by a shareholder or through the activities of the Committee, the CGN Committee seeks to select candidates who have personal and professional integrity, who have demonstrated exceptional ability and judgment and who will be most effective, in conjunction with the other nominees and Board members, in collectively serving the long-term interests of the Company and its shareholders. The CGN Committee's assessment of candidates will include, but not be limited to, considerations of character, judgment, diversity, age, expertise, industry experience, independence, other board commitments and the ability and willingness to devote the time and effort necessary to be an effective board member. The CGN Committee has adopted minimum criteria for Board membership that include (i) a strong commitment to his/her fiduciary responsibilities to the Company's shareholders, with no actual or perceived conflict of interest that would interfere with his/her responsibilities to or relationships with the Company's shareholders, employees, suppliers, and customers; (ii) the ability to think strategically and the insight to assist management in placing the Company in a competitive position within the industry; (iii) a record of achievement, and a position of leadership in his/her field, with the interest and intellect to be able to address energy industry challenges and opportunities; and (iv) the time to attend Board meetings and the commitment to devote any reasonable required additional time to deal with Company business.

Board of Directors Diversity

The Board of Directors encourages a diversity of backgrounds, including with respect to race, gender and national origin, among its members; however, it does not have a formal diversity policy. The Board considers candidates with

significant direct or indirect energy industry experience that will provide the Board as a whole the talents, skills, diversity and expertise to serve the long-term interests of the Company and its shareholders. For more information on specific minimum qualifications that the CGN Committee has established for board candidates, see “Director Nominations and Qualifications” above.

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Board of Directors Orientation and Continuing Education

Each new director appointed to fill a vacancy or elected at the annual meeting of stockholders undergoes an orientation program immediately upon joining the Board. The program adopted by the Company includes in-person meetings with the Chairman and CEO and other key officers to discuss Company business and strategy, review of a comprehensive director handbook that encompasses all Board policies and procedures and corporate documents, access to the Board's portal containing all past board meeting materials and a briefing by the Corporate Secretary as to the legal requirements and obligations of Board membership. New directors will typically attend all Board committee meetings for at least the first year of membership, to familiarize them with the areas of responsibility of each committee. In December 2015, two newly-appointed directors, Ms. Ables and Mr. Boswell, began the director orientation program.

All of our directors are encouraged to pursue continuing education opportunities for directors of public companies, generally, and the Company will reimburse directors for reasonable expenses incurred in connection with one such continuing education program each year.

Board of Directors Leadership Structure

Mr. Dinges serves as the Chairman of the Board, President and Chief Executive Officer of the Company. We believe that our Board of Directors is best served by combining the roles of Chairman and CEO and that Mr. Dinges is highly qualified to serve in this role.

The Chairman and CEO is responsible to the Board for the overall management and functioning of the Company. The Chairman is joined in the leadership of the Board by our Lead Director, who is elected by the non-management directors. In February 2015, the CGN Committee recommended and the non-management directors appointed, Mr. Kelley as the Lead Director, replacing Mr. Peacock who served as Lead Director since 2005 and retired from the Board at the 2015 annual meeting. Mr. Kelley has significant board experience and has served on the Company's Board since 2003 and on other public company boards, as well as serving as the Company's Audit Committee Chairman since 2008. Mr. Kelley performs an important role in the leadership of the Board by presiding at executive sessions of the non-management directors, which are held at each regular Board meeting, and setting the agenda for these sessions. Mr. Kelley also serves as a mentor to Mr. Dinges and as a liaison between Mr. Dinges and the other independent directors. Mr. Kelley's longevity on the Board enhances this leadership role and provides for continuity among the non-employee directors.

In addition to the Lead Director, our Corporate Governance Guidelines also contain strong checks and balances regarding the combined role of CEO and Chairman. Those provisions include the inability of the CEO to serve on any committees of the Board other than the Executive Committee, as only non-management directors may do so, and the requirement that a substantial majority of the directors be independent, as discussed above under "Board of Directors

Independence.” All of our directors, other than Mr. Dinges, are independent.

Our Board of Directors has determined that its current leadership structure is appropriate. The Board believes that Mr. Dinges, acting in his capacity as CEO of the Company, is well positioned to facilitate communications with the Board of Directors about our business. Mr. Dinges has served in this capacity since May 2002, during which time the Company’s business has undergone significant changes. None of the returning independent directors was serving at that time, so Mr. Dinges provides continuity and historical perspective to the Board. Under Mr. Dinges’ leadership, the Company has grown from a market capitalization of approximately \$800 million with operations in onshore Texas and Louisiana Gulf Coast, the Rocky Mountains, the Anadarko Basin and Appalachia to an over \$7.3 billion market capitalization company as of December 31, 2015, with most of its reserves in the Marcellus Shale area in northeast Pennsylvania. Mr. Dinges has the full confidence of the Board. For all these reasons, the Board has determined that the most appropriate form of leadership for the Board of Directors currently is for the CEO, who is responsible for the day-to-day operations of the Company, to serve as Chairman, with strong and independent oversight by the Lead Director and the other non-management directors.

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Board of Directors Oversight of Risk

The Board of Directors considers risk oversight to be an integral part of its role, and discussions regarding risks faced by the Company are part of its meetings and deliberations throughout the year. Our Corporate Governance Guidelines provide that the Board is responsible for assessing major risks facing the Company and reviewing options for their mitigation. At the direction of the Board, management is responsible for implementing an enterprise risk management process and reporting to the Board at least annually regarding its assessment of risks that could have a significant impact on the Company and the strategies for their mitigation. In this way, the Board is engaged in risk oversight at the enterprise level.

The Board is also engaged in risk oversight through regular reports from the Audit Committee. The Audit Committee is charged with reviewing with management and the Company's internal auditors the Company's major financial exposures and the steps management has taken to monitor and control those exposures. The Audit Committee receives periodic reports from management on these areas of potential exposure, including litigation, commodity price hedging, liquidity and capital resources, financial reporting and disclosures and regulatory risks, among others. The Audit Committee also receives reports from management regarding compliance with our Code of Business Conduct. The Audit Committee reviews at least annually the Company's policies and guidelines concerning financial risk assessment and financial risk management, with the assistance of the Company's internal auditors, KPMG LLP. KPMG LLP conducts a process of assessing major risks, including management interviews, and presents and discusses with the Audit Committee its conclusions regarding the Company's major risks. From this process, areas of concern are identified and considered and the internal audit plan is developed. Results of these reviews and audits are presented to the Audit Committee throughout the year. At each regular Board meeting, the Audit Committee Chairman reports to the Board regarding the activities of the Committee.

Corporate Governance Guidelines

Our Corporate Governance 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 annually and revised as appropriate to reflect changing regulatory requirements and best practices. The full text of the Corporate Governance Guidelines can be found on the Company's website at www.cabotog.com by choosing "About Cabot," and then choosing "Governance."

Code of Business Conduct

All employees, officers and directors are required to comply with the Company's 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 are required annually 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 choosing "About Cabot," and then choosing "Governance." The Company will satisfy the requirement to disclose any amendments to or waivers from certain provisions of its Code of Business Conduct by posting such information on the website at that location.

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Attendance at Board Meetings and Annual Meetings

The Board of Directors held six meetings during 2015. All directors attended more than 75% of the meetings of the Board of Directors and of the committees on which they served.

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 2015, all of the continuing members of the Board attended the annual meeting.

Director Compensation

Directors who are employees of the Company receive no additional compensation for their duties as directors. During 2015, non-employee directors' annual compensation included an annual retainer fee of \$75,000 each, payable quarterly, for their service on the Company's Board of Directors and its committees. The Lead Director received an additional \$20,000 annual retainer, the Audit Committee Chairman and Compensation Committee Chairman each received an additional \$15,000 annual retainer, the Executive Committee Chairman received an additional \$5,000 annual retainer and the remaining committee chairmen received an additional \$10,000 annual retainer, each payable quarterly, for this additional service. Additionally, each non-employee director will receive \$2,000 for each Board of Directors meeting attended in excess of six in-person meetings per year. The directors did not receive additional meeting fees in 2015 because they did not attend in excess of six in-person meetings.

In 2015, non-employee directors were also entitled to an annual award of restricted stock units under the 2014 Incentive Plan, the restrictions on which lapse the date the non-employee director leaves the Board of Directors, with a targeted award value at grant date of \$200,000. The restricted stock units are paid cash dividend equivalents in the amount of the cash dividend paid on our outstanding common stock from the date of grant through the date the restrictions lapse. In 2015, these directors each received 7,220 restricted stock units.

Board members may participate in the Director Non-Qualified Deferred Compensation Plan, which provides each non-employee director an opportunity to elect each year to take any, or all, of the director's annual cash retainer and additional fees for serving as lead director or as a committee chairman in restricted stock units, valued at the closing price of the common stock on the date specified in the plan, in lieu of a quarterly cash payment of such amounts. The terms of the restricted stock units are the same as those issued annually. All directors were also reimbursed for travel expenses incurred for attending Board and committee meetings. For more information on director compensation, see "Director Compensation Table" below.

[Back to Contents](#)**Director Compensation Table**

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, 2015.

Name	Fees Earned or Paid in Cash* (\$)	Stock Awards (\$)(1)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)(2)	Total (\$)
Dorothy M. Ables	\$6,250	-	-	-	-	-	\$6,250
Rhys J. Best	\$90,000	\$200,066	-	-	-	\$ 6,868	\$296,934
Robert S. Boswell	\$6,250	-	-	-	-	-	\$6,250
James R. Gibbs ⁽³⁾	\$63,750	\$200,066	-	-	-	\$ 2,459	\$266,275
Robert L. Keiser ⁽⁴⁾	\$85,000	\$200,066	-	-	-	\$ 10,498	\$295,564
Robert Kelley	\$100,000	\$200,066	-	-	-	\$ 12,755	\$312,821
P. Dexter Peacock ⁽⁵⁾	\$47,500	\$200,066	-	-	-	\$ 3,134	\$250,700
W. Matt Ralls	\$80,000	\$200,066	-	-	-	\$ 3,146	\$283,212

Restricted stock units were issued pursuant to the Company's Non-Employee Director Deferred Compensation Plan in lieu of quarterly cash retainer and leadership fees totaling \$63,750 for Mr. Gibbs, \$85,000 for Mr. Keiser and \$80,000 for Mr. Ralls. Ms. Ables and Mr. Boswell were issued 381 and 191 RSUs, respectively, as of January 15, 2016, in lieu of quarterly cash retainer for the period from December 1 through December 31, 2015.

The amounts in this column reflect the grant date fair value with respect to restricted stock units in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 718 for the fiscal year ended December 31, 2015. Assumptions used in the calculation of these amounts are included in Note 13 of the Notes to the Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2015 (the "Form 10-K"). In February 2015, each non-employee director (other than Ms. Ables and Mr. Boswell) received a grant of 7,220 restricted stock units, with a grant date fair value of \$200,066 based on the closing price of the Common Stock on the February 19, 2015 grant date. The restricted stock units vest on the grant date, but are not payable by the Company in shares of Common Stock until the date the non-employee director ceases to be a director of the Company. The aggregate number of restricted stock units outstanding at December 31, 2015, including those issued in lieu of quarterly cash retainer and fees, were as follows:

Name	Stock Awards
Dorothy M. Ables	0
Rhys J. Best	87,649
Robert S. Boswell	0
James R. Gibbs	0
Robert L. Keiser	134,223
Robert Kelley	161,237

P. Dexter Peacock 0

W. Matt Ralls 42,329

(2) *The amounts in this column for each director include quarterly cash dividend equivalents paid on the restricted stock units.*

(3) *Mr. Gibbs retired from service as a director as of July 22, 2015.*

(4) *Mr. Keiser will retire from service as a director as of the date of annual meeting pursuant to Cabot's director retirement policy.*

(5) *Mr. Peacock retired from service as a director as of April 23, 2015, pursuant to Cabot's director retirement policy.*

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Director Retirement

It is the policy of the Board of Directors that directors of the Company retire at the annual meeting following their 73rd birthday. It is also the policy of the Board of Directors that a retiring CEO of the Company retires from service on the Board, unless a determination is otherwise made by the Board of Directors.

Information on Standing Committees of the Board of Directors

Information on each of the Board’s standing committees as of the date hereof is discussed below. The charters of each of the Board committees can be found on the Company’s website at www.cabotog.com by choosing “About Cabot,” and then choosing “Governance.”

Committees	Independent?	2015 Meetings	Dinges	Ables	Best	Boswell	Kelley	Ralls
CGN	Yes	4						C
Audit	Yes	4					C	
Compensation	Yes	4			C			