CABOT OIL & GAS CORPORATION

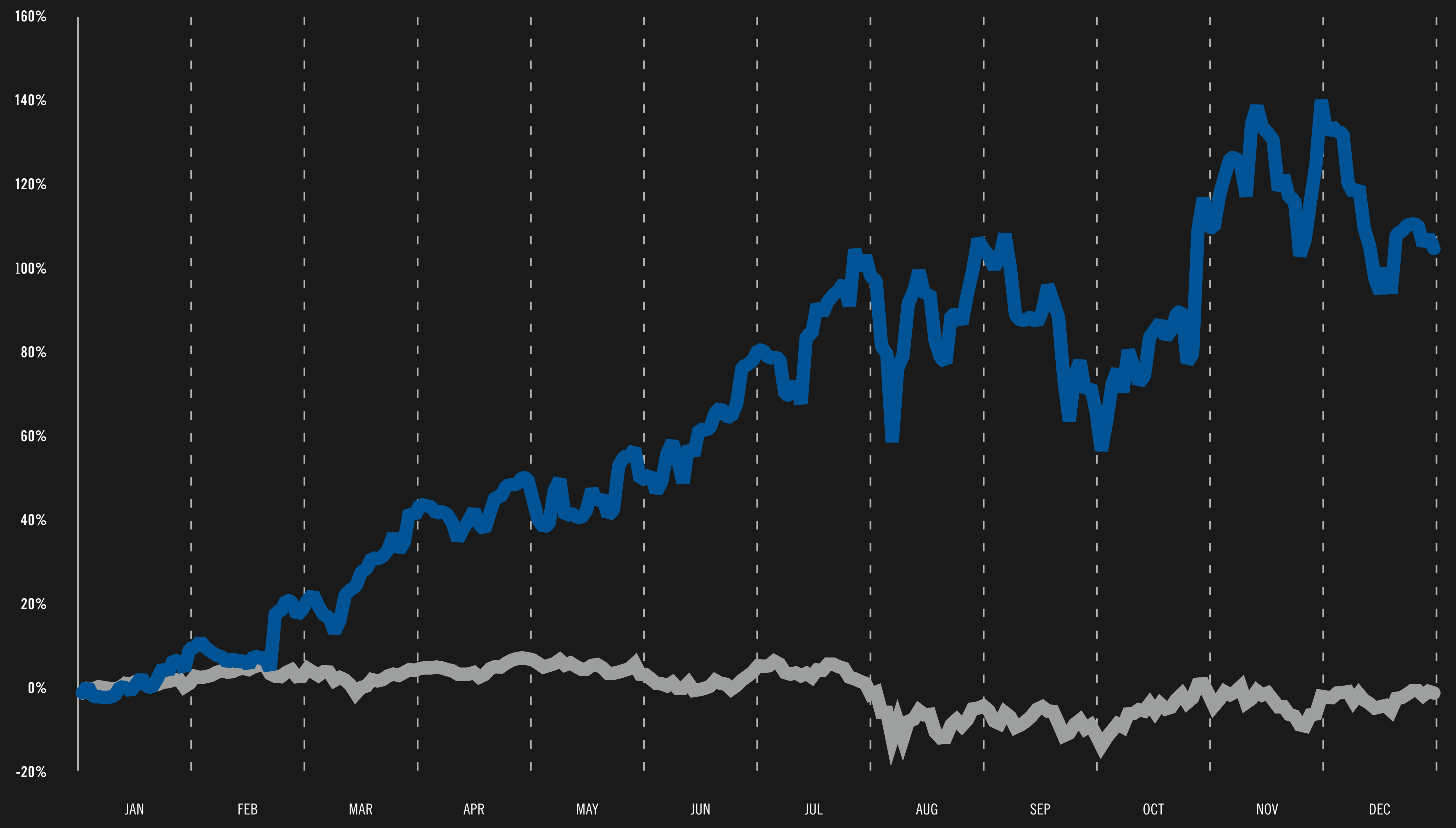
AN OUTSTANDING YEAR IN REVIEW.

2011 ANNUAL REPORT

Cabot Oil & Gas Corporation, headquartered in Houston, Texas, is a leading independent natural gas producer, with its entire resource base located in the continental United States. The Company's focused operations are centered around developing its natural gas resources in Pennsylvania and West Virginia; and exploiting its oil, liquids and to a lesser extent, natural gas reserves in Texas and Oklahoma.

2011 COG vs. S&P 500

The Company's achievement of being the best performing stock in the S&P 500 is the first time an exploration and production company attained this exemplary milestone. This honor was accomplished through the dedicated efforts of all our employees, the insights of our management team and the full support of our Board of Directors.



#1

PERFORMING STOCK
IN THE S&P 500 FOR 2011

101 PERCENT INCREASE

TO OUR SHAREHOLDERS

2011 was another break-out year for Cabot Oil & Gas Corporation as we focused our efforts on two main objectives:

developing the best natural gas play in the United States and generating added value through an oil-centered initiative. The result was AN OUTSTANDING YEAR for all those associated with the Company - from its employees, to its shareholders, to the Board of Directors. Everyone benefitted from the year-end report card which read: **#1 Performing Stock in the S&P 500 for 2011; 101 Percent Increase.**

Total proved reserves exceeded 3.0 Tcfe for the first time, and did so just two years after reaching 2.0 Tcfe (at the end of 2009), another indication of the quality of our assets.

DAN O. DINGES, CHAIRMAN, PRESIDENT AND CEO
AND SCOTT C. SCHROEDER, VICE PRESIDENT, CFO AND TREASURER

43.5%

Record level production growth over the prior year

WHAT DROVE OUR PERFORMANCE?

It was a combination of strong growth, financial discipline and a portfolio of top tier assets. Specifically:

- We were successful using strategic asset sales and cash flow from operations to fund one of our largest organic drilling programs in history, while still ending the year with less debt than when we started.

- This drilling program generated a record level of production growth, with a 43.5 percent increase over the prior year.

- Total proved reserves exceeded 3.0 Tcfe for the first time, and did so just two years after reaching 2.0 Tcfe (at the end of 2009), another indication of the quality of our assets. This milestone was reached as a result of 22 percent pro forma growth, as we sold reserves through the strategic asset sale program. In absolute terms, this growth was 12 percent.

- Important to the success of any exploration and production company is the ability to efficiently reinvest in the business. Our all source finding costs for 2011 was a very competitive $1.21 per Mcfe, driven primarily by a $0.65 per Mcf all sources finding cost in the Marcellus. Contributing to those metrics are the high capital intensity attributes that provide growth and efficiency results generated by only seven rigs; a standard unmatched by any peer in this space.

- For the seventh consecutive year, net income exceeded the $100 million threshold, posting $122.4 million. This was accomplished notwithstanding decreased price realizations for both oil and natural gas from the previous year.

- We also experienced expanding cash flow metrics on the strength of more production and a stable cost structure that drove per unit expense lower - down to levels not experienced since 2004.

FROM LEFT TO RIGHT:
TODD LIEBL,
PHIL STALNAKER,
STEVE LINDEMAN,
JEFF HUTTON,
MATT REID

The efficiency of our capital investment that provided outsized growth metrics, combined with an operating cost structure that continues to improve margins, drove Cabot to the pinnacle achievement as the #1 stock in 2011. Since history shows that only once has a company repeated this feat, we have our work cut out for us. I believe firmly that much of what drove the day in 2011 for Cabot will continue to add value for shareholders in 2012. Though the macro environment for the natural gas industry creates near-term headwinds, Cabot will still provide capital efficient growth in 2012.

LOOKING AHEAD

The macro dynamics, including the current oversupply of natural gas, combined with warmer winter temperatures and the lackluster economic demand picture, continue to put pressure on the outlook for natural gas producers. However, even with these dynamics in the commodity markets, Cabot is well positioned as its Marcellus effort will continue to provide growth and remains economic below current prices (sub $3.00 per Mcf). As we prudently manage our capital in a low commodity price environment for natural gas, we will demonstrate 'controlled' growth from our Marcellus assets and continue to focus efforts to materially grow our liquids production. To that end, we will remain focused on managing our expenditures around anticipated cash flow - so in spite of individual well economics, we will adjust our program to reflect the macro outlook for the industry.

FROM LEFT TO RIGHT:
TODD ROEMER,
KEVIN CUNNINGHAM,
DEIDRE SHEARER,
ROBERT DRAKE,
LISA MACHESNEY

Our goal for 2012 is to maintain capital discipline while generating outsized growth (compared to our peers) at the most efficient finding costs, all while driving down overall costs. This occurred in 2011, and we fully expect this value creation will occur again in 2012. Our set of assets affords us unique opportunities to efficiently grow.

I would like to thank our Board of Directors for their commitment and support to the employees and shareholders of the Company. Their guidance and counsel were an added catalyst to help in our achievements. Additionally, I would be remiss if I did not extend a very special thank you to Mr. William P. Vititoe (Bill) and Mr. David M. Carmichael, who will both be retiring this May. Bill is our longest serving director, having joined the Board in 1994. He has served on every committee of the Board in his tenure and for the last several years chaired the Compensation Committee. His keen business sense served him well in his professional career, as well as a director of Cabot. David joined our Board in February 2006 and has served as Corporate Governance Committee chairman most recently. His extensive knowledge of and background in the energy industry was a true service to Cabot's shareholders and our management team. Both of these gentlemen will be missed. I appreciate all their contributions in making Cabot a success story.

As I stated last year, I am a firm believer in Cabot and its employees. We have the unique opportunity to continue a strong, economic growth profile for both production and reserves, all while maintaining our financial discipline and operational flexibility. This has been and continues to be our formula for value creation. I look forward to delivering value again in 2012.

Cheers,

Dan O. Dinges
Chairman, President and Chief Executive Officer

OPERATIONS

CONTINUED REFINEMENT AND FOCUS

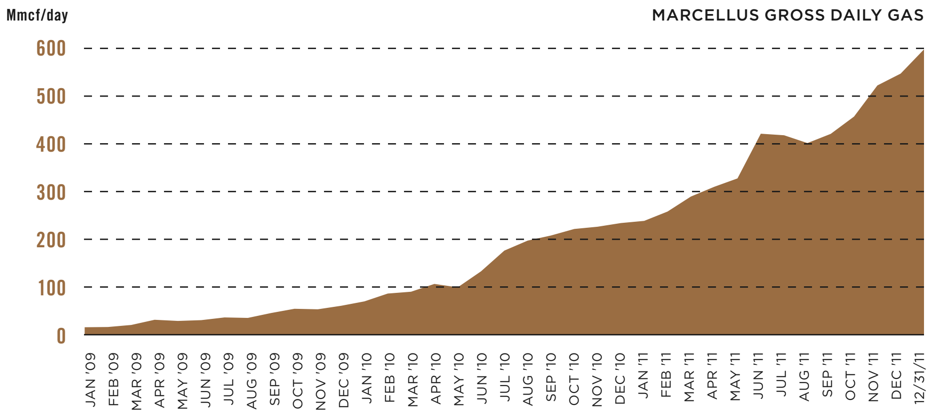
In May 2011, Cabot increased production 100 Mmcf within a 24-hour period after upgrades to the Lathrop Compressor Station (pictured above).

Throughout 2011, Cabot Oil & Gas Corporation continued to refine its operating focus, narrowing its natural gas development effort to the Marcellus shale in northeast Pennsylvania and its oil emphasis to Texas and Oklahoma. To further simplify the story, in 2011 the Company entered into two joint ventures that effectively funded Cabot's need to hold acreage in the Haynesville shale and sold natural gas reserves, primarily in Texas and Wyoming. The proceeds from these sales were reinvested in the Company's areas of strategic focus.

This narrow focus is a positive for Cabot and its shareholders as the Company's Marcellus position remains economic even in the challenging price environment for natural gas. Cabot's efforts directed towards liquids also make tremendous sense, with the price of a barrel of oil at approximately $100. The Company's narrow focus has resulted in the stand out performance highlighted in the Chairman's letter.

THE MARCELLUS SHALE

2011 marked Cabot's fourth consecutive year of drilling horizontal wells in the Marcellus shale; each year expanding on the number from the previous year. Last year's report showed this field exited 2010 producing 236 Mmcf per day, and that number grew dramatically, exiting 2011 at 600 Mmcf per day. This is truly the step change anticipated in last year's report.



Several key statistics about the Marcellus effort:

- Gross Daily Production Record: 606 Mmcf per day
- Production Growth: 141% above 2010
- Maximum estimated ultimate recovery for one well: 22 Bcf
- King 2H — 24 hour initial production 29.5 Mmcf per day, 26 stages — Fastest well to 4 Bcf: in 229 days
- King 3H — 24 hour initial production 29.7 Mmcf per day, 21 stages
- King Pad (2 wells) — Cumulative production of 9 Bcf in 275 days
- Chudleigh 3H — Fastest well to 5 Bcf: in 550 days
- Completed 904 frac stages — An increase of 71% from 2010 (904 versus 529)
- 12 wells turned in line in 2011 that had 24 hour initial production over 20 Mmcf per day

In total for the year in the Marcellus, the Company drilled 64.7 net wells and completed 904 stages. The planned completed well cost for 2012 is approximately $6.0 million, but is subject to change as Cabot manages through the natural gas price weakness. Additionally, the Company has executed an agreement for a dedicated completion crew for the full year with a minimum guarantee of 60 stages per month. This contract has additional cost savings above 60 stages in any one month period. To that end, Cabot plans to balance maximizing these savings with the overall rig count and expected cash flows.

$.65

per Mcf Marcellus all sources finding cost


CABOT

Another initiative for 2011 was the continued emphasis on adding takeaway capacity out of Susquehanna County. Several project completions occurred during the year, including additional compression and connecting two new large takeaway pipes. Each of these projects will contribute to 2012 volumes. Also, new projects for free flow, compression and interstate taps are expected to bring the total takeaway capacity out of the basin to 1.55 Bcf per day by year-end 2012, from the 650 Mmcf per day at year-end 2011.

For the first time in the Company's history, it will no longer be capacity-constrained in Susquehanna County starting mid to late summer as the 2012 expansion continues. This will give Cabot the ability to lower field pressures and produce the wells to their full capability.

The Company completed nine Marcellus acreage trades over the past few years covering about 13,800 acres. Cabot is currently working on several others, which are expected to include more than 13,000 plus acres should they be completed as planned. These completed and contemplated trades allow the Company to further consolidate its already well-blocked lease position, providing operational advantages and drill-bit access to the thickest, most productive area of the Marcellus shale.

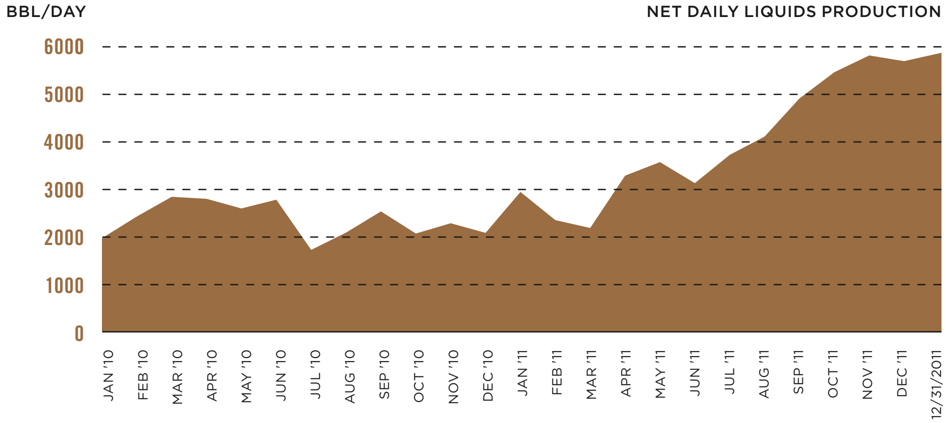
Bottom line, this resource base is unlike any other in the United States and it will continue to be the main driver of growth and value for Cabot and its shareholders. Because of its strong belief in the value of the Marcellus shale, the Company anticipates that 60 to 65 percent of its annual investment dollars will be allocated to the Marcellus shale for the foreseeable future.

OIL INITIATIVES

While Cabot continues to focus its natural gas efforts in the Marcellus shale, the Company is expanding its liquids presence through its drilling in the Eagle Ford shale in South Texas and the Marmaton, in the Oklahoma and Texas Panhandle.

During 2011, Cabot allocated just over one-third of its capital to these oil initiatives, drilling 40 gross wells between these plays, the vast majority of which were in the Eagle Ford. As a result, the Company more than doubled its liquids proved reserves - the first time in 11 years.

In the Eagle Ford, Cabot grew gross oil production from 1,100 barrels of oil equivalent (boe) per day in January 2011 to 7,300 boe per day in December 2011. With a growing database of well results in the Eagle Ford shale, the Company continues to improve individual well results, increasing the estimated ultimate recovery by 26 percent in 2011. One of the latest wells drilled had an average 30-day production rate of 800 boe per day compared to the current average of just under 500 boe per day for all wells to date since the program commenced. These improvements are attributable to better lateral length placement and more efficient use of proppant. With these wells producing 80-85 percent liquids, in the current price environment, coupled with the recovery improvements and cost efficiencies, these Eagle Ford wells are very economic.



Cabot's entry into the Marmaton is still in its infancy, with currently only four net wells drilled. The results from each well are being evaluated to build a database for the basin. With a range of initial well results from good to excellent, 60,000 plus net acres, and well costs at half of Eagle Ford wells, this play is worth further assessment.

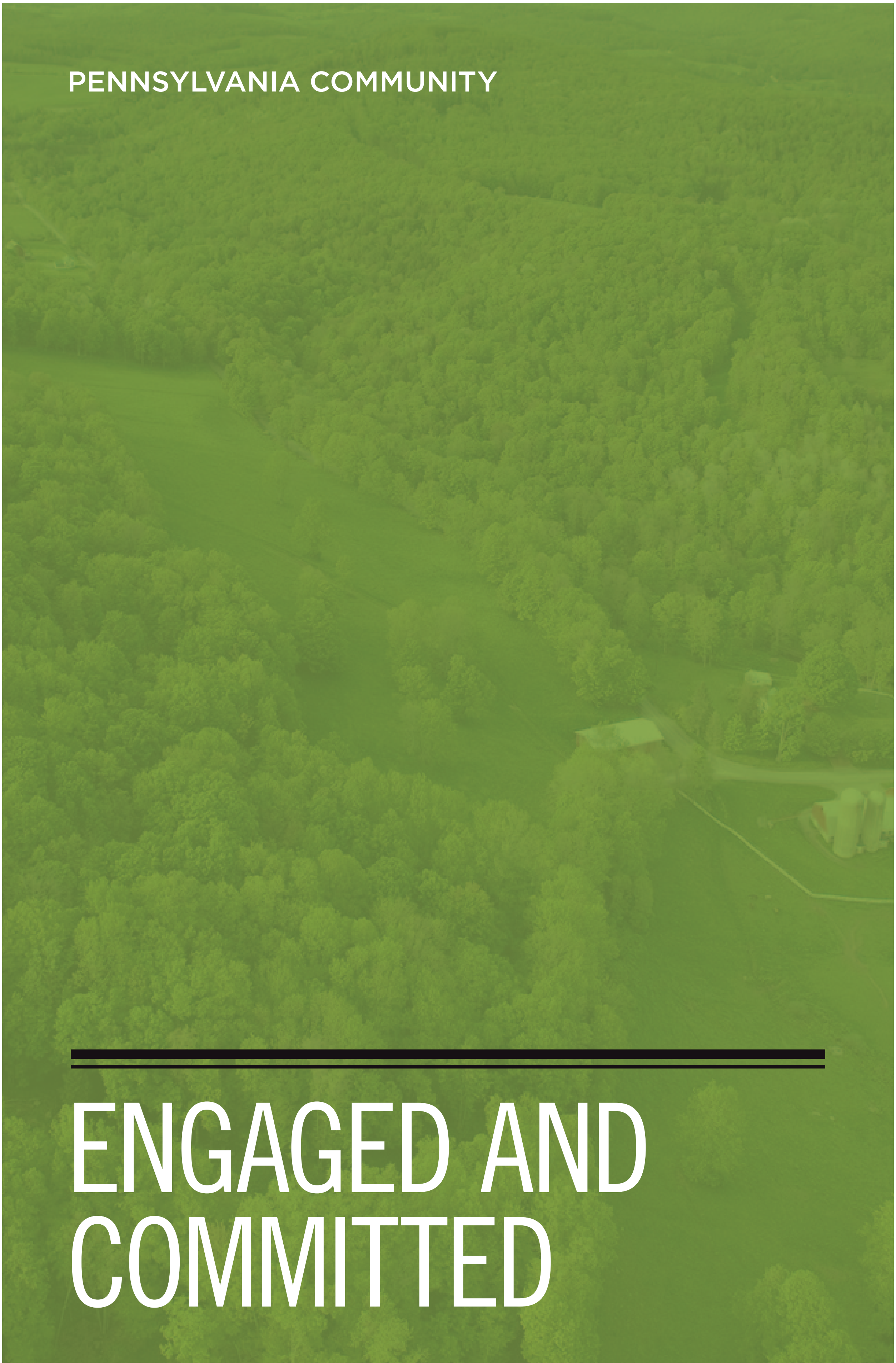
For 2012, the Company expects to make further investments in both the Eagle Ford and Marmaton with the ultimate allocation to be determined by results of our studies. Early results from both plays see the need for more evaluation in the Marmaton and more drilling in the Eagle Ford (based on 2011 improvements over 2010 results). To that end, in the later two thirds of the year, the Eagle Ford will be the drilling focus.

With this success, the team has been challenged to find more liquids opportunities as a hedge against the intermediate outlook for natural gas prices. Look for Cabot to continue to add to its prospect inventory for oil.

While the Company will remain very focused and commited in its efforts, it will continue to seek the next potential Eagle Ford or Marcellus.

68%

Growth in liquids production



PENNSYLVANIA COMMUNITY

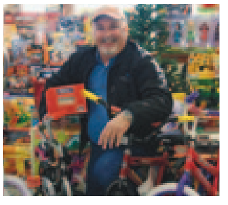
ENGAGED AND COMMITTED

Cabot has invested more than $1.5 billion benefitting the Susquehanna County community.

Cabot strives to be an engaged member of Pennsylvania's Susquehanna County community through events and sponsorships focused on providing a direct benefit to the area. With more than $1.5 billion invested throughout the county, the Company continues to create jobs for local workers and to employ local contractor and vendor companies to work on company projects.

This year, Cabot hosted the 2nd Annual Community Picnic, which once again provided the opportunity for local residents to meet the Company's employees and learn more about Cabot's involvement around the community. Over 5,000 residents came out to discover facts about the Company, its contractors, and the natural gas industry as a whole.

In addition to contributions to local nonprofit organizations, first responders and education programs, Cabot also made two major contributions to help respond to community needs. When a very large portion of northeastern Pennsylvania was devastated by widespread flooding in the fall, the Company stepped forward with $100,000 for emergency relief organizations, in addition to donating equipment and manpower to help provide immediate relief to those affected.



Cabot is also working closely with the Endless Mountains Health Systems, located in the heart of Susquehanna County, to secure donations totaling $3 million towards their $5.2 million physician's clinic. This clinic will be an integral part of a new state of the art hospital in Montrose, Pennsylvania. The Company announced a $1 million leadership gift and pledged to match each additional dollar donated up to $1 million. Similar to jobs and education, available healthcare helps define a community, and Cabot is committed to advancing healthcare in Susquehanna County.

FINANCIAL HIGHLIGHTS

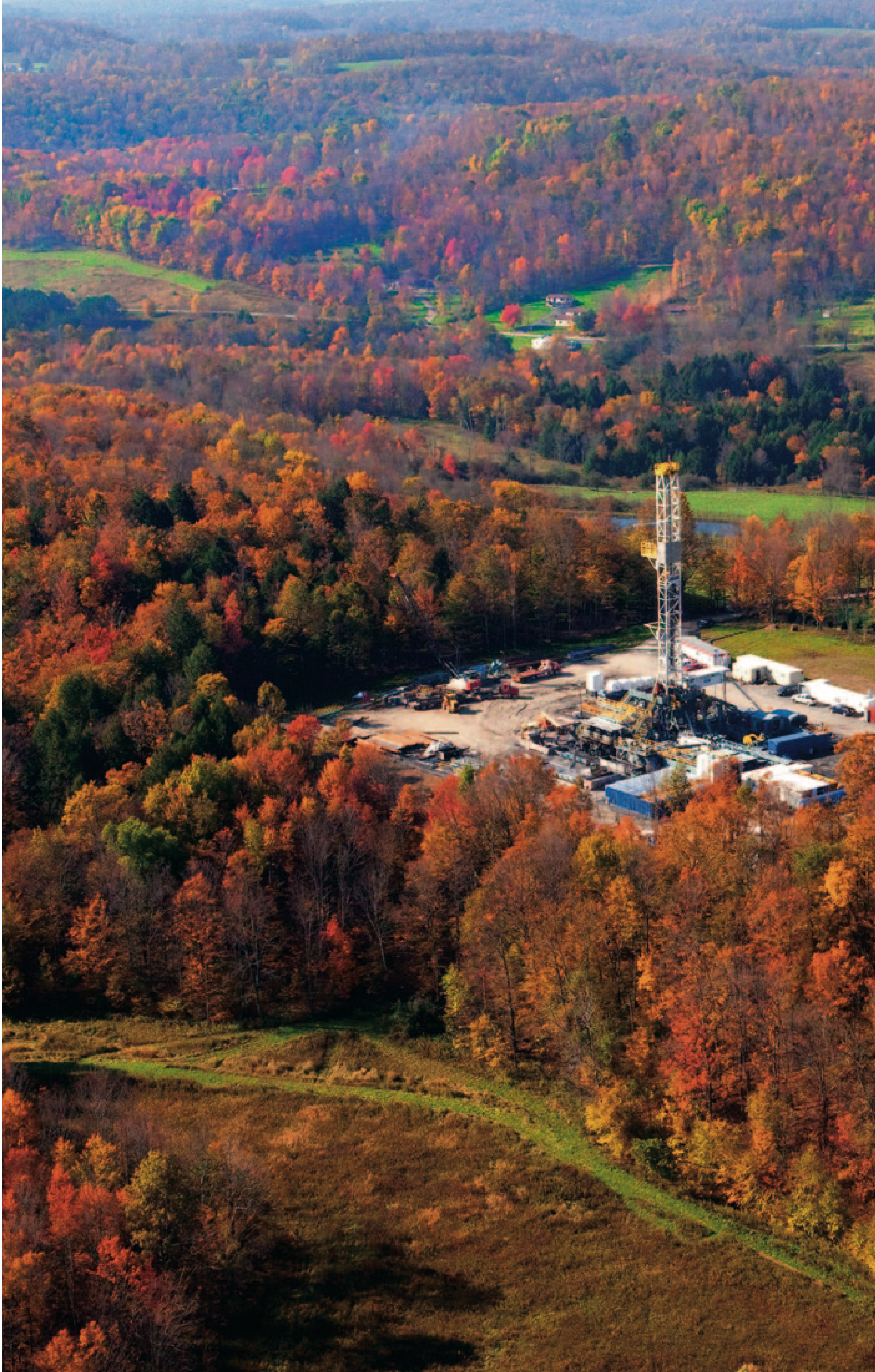
INCOME STATEMENT *(In millions, except per share amounts)*	2009	2010	2011
OPERATING REVENUE	$ 893.1	$ 863.1	**$ 979.9**
OPERATING EXPENSES	607.5	703.0	**736.4**
OPERATING INCOME	282.3	266.4	**306.9**
NET INCOME	148.3	103.4	**122.4**
PER SHARE	0.72	0.50	**0.59**
COMMON DIVIDEND PER SHARE	$ 0.06	$ 0.06	**$ 0.06**
AVERAGE COMMON SHARES OUTSTANDING *(In thousands)*	207,232	207,823	**208,498**

CASH FLOW *(In millions)*	2009	2010	2011
DISCRETIONARY CASH FLOW	$ 609.8	$ 471.9	**$ 549.2**
CASH FROM OPERATIONS	614.1	484.9	**501.8**
CASH FROM INVESTING	(531.0)	(613.7)	**(487.6)**
CASH FROM FINANCING	$ (71.0)	$ 144.6	**$ (40.3)**

BALANCE SHEET *(In millions)*	2009	2010	2011
CURRENT ASSETS	$ 281.5	$ 203.0	**$ 345.8**
CURRENT LIABILITIES	308.7	303.8	**343.3**
LONG-TERM DEBT	805.0	975.0	**950.0**
EQUITY	$ 1,812.5	$ 1,872.7	**$2,104.8**

DEBT MATURITY SCHEDULE *(In millions)*

[1] *Debt associated with Revolving Credit Facility*



OPERATIONAL HIGHLIGHTS

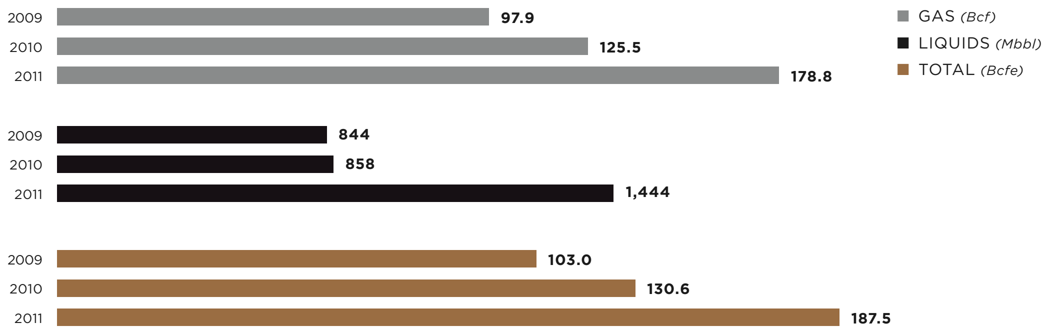
WELLS DRILLED	2009	2010	2011
TOTAL GROSS	143	113	**161**
TOTAL NET	119	87	**96**
% GROSS SUCCESS RATE	95%	98%	**99%**

PROVED RESERVES	2009	2010	2011
NATURAL GAS *(Bcf)*	2,013.2	2,644.2	**2,909.9**
OIL, CONDENSATE & NATURAL GAS LIQUIDS *(Mmbbl)*	7.8	9.5	**20.5**
TOTAL PROVED *(Bcfe)*	2,059.9	2,701.1	**3,032.7**
TOTAL DEVELOPED *(Bcfe)*	1,324.7	1,724.2	**1,799.6**
% GAS	98%	98%	**96%**
% DEVELOPED	64%	64%	**59%**

RESERVE ADDITIONS *(Bcfe)*	2009	2010	2011
ADDITIONS	462.9	650.6	**710.1**
ADDITIONS, REVISIONS & PURCHASES	262.7	788.0	**731.5**
RESERVE REPLACEMENT	255%	603%	**390%**

FINDING & DEVELOPMENT COSTS *($/Mcfe)*	2009	2010	2011
ADDITIONS	$ 1.28	$ 1.27	**$ 1.25**
ADDITIONS & REVISIONS	2.26	1.05	**1.21**
ALL SOURCES	$ 2.26	$ 1.05	**$ 1.21**

PRODUCTION



BOARD OF DIRECTORS

DIRECTORS

Dan O. Dinges
Chairman, President and Chief Executive Officer

Rhys J. Best
Former Chairman of the Board and Chief Executive Officer, Lone Star Technologies, Inc.

James R. Gibbs
Former Chairman, President and Chief Executive Officer, Frontier Oil Corporation

Robert L. Keiser
Former Chairman of the Board, Oryx Energy Company

Robert Kelley
Former Chairman of the Board, President and Chief Executive Officer, Noble Affiliates, Inc. (Subsequently renamed Noble Energy Inc.)

P. Dexter Peacock
Of Counsel, Andrews & Kurth L.L.P. Former Managing Partner, Andrews & Kurth L.L.P.

W. Matt Ralls
President, Chief Executive Officer and Director, Rowan Companies, Inc.

RETIRING DIRECTORS *(Effective May 1, 2012)*

David M. Carmichael
Former Vice Chairman and Chairman of the Management Committee, KN Energy, Inc.

William P. Vititoe
Former Chairman of the Board, Chief Executive Officer and President, Washington Energy Company

COMMITTEES *(Effective May 1, 2012)*

AUDIT COMMITTEE
Robert Kelley – *Chairman*
Rhys J. Best
Robert L. Keiser

COMPENSATION COMMITTEE
Rhys J. Best – *Chairman*
James R. Gibbs
P. Dexter Peacock

EXECUTIVE COMMITTEE
P. Dexter Peacock – *Chairman*
Dan O. Dinges
James R. Gibbs

CORPORATE GOVERNANCE AND NOMINATIONS COMMITTEE
James R. Gibbs – *Chairman*
P. Dexter Peacock
W. Matt Ralls

SAFETY AND ENVIRONMENTAL AFFAIRS COMMITTEE
Robert L. Keiser – *Chairman*
Robert Kelley
W. Matt Ralls

CORPORATE INFORMATION

OFFICERS

Dan O. Dinges
Chairman, President and Chief Executive Officer

Scott C. Schroeder
Vice President, Chief Financial Officer and Treasurer

G. Kevin Cunningham
Vice President, General Counsel

Robert G. Drake
Vice President, Information Services and Operational Accounting

Jeffrey W. Hutton
Vice President, Marketing

Todd L. Liebl
Vice President, Land and Business Development

Steven W. Lindeman
Vice President, Engineering and Technology

Lisa A. Machesney *(Retiring May 31, 2012)*
Vice President

James M. Reid
Vice President and Regional Manager, South

Phillip L. Stalnaker
Vice President and Regional Manager, North

Todd M. Roemer
Controller

Deidre L. Shearer
Managing Counsel and Corporate Secretary

CORPORATE INFORMATION

ANNUAL MEETING
The annual meeting of the shareholders will be held Tuesday, May 1, 2012, at 8:00 a.m. (Central) at the corporate office in Houston, Texas.

CORPORATE OFFICE
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INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
PricewaterhouseCoopers LLP
1201 Louisiana, Suite 2900
Houston, Texas 77002

RESERVE ENGINEERS
Miller & Lents, Ltd
Oil & Gas Consultants
909 Fannin, Suite 1300
Houston, Texas 77010

INVESTOR RELATIONS
Additional copies of the Form 10-K are available without charge. Shareholders, securities analysts, portfolio managers and others who have questions or need additional information concerning the Company may contact:

Scott C. Schroeder
Vice President,
Chief Financial Officer
and Treasurer
(281) 589-4993
scott.schroeder@cabotog.com

TRANSFER AGENT/REGISTRAR
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South St. Paul, MN 55075-1139
(800) 468-9716
www.shareowneronline.com

General Inquiries:
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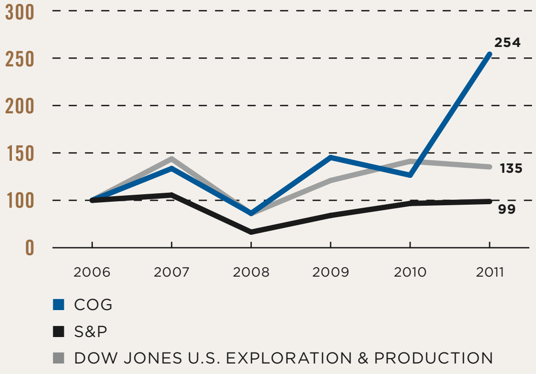
St. Paul, MN 55164-0856
(800) 468-9716

Certified/Overnight Mail:
Wells Fargo Shareowner Services
161 North Concord Exchange
South St. Paul, MN 55075-1139

Telephone Number for Foreign Shareholders:
(877) 602-7599

PERFORMANCE GRAPH
The following graph compares our common stock performance with the performance of the Standard & Poors' 500 Stock Index and the Dow Jones US Exploration & Production Index for the period December 2006 through December 2011. The graph assumes that the value of the investment in our commons stock and in each index was $100 on December 31, 2006 and that all dividends were reinvested.



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