

**Cabot Oil & Gas Corporation
Compensation Committee
Charter**

Composition and Term of Office

The Board of Directors shall annually designate three or more of its independent members to constitute the Compensation Committee and designate one of the members as committee chairman. In determining independence, the Board shall follow applicable statutes, regulations and New York Stock Exchange Listing Standards. Committee members may be replaced by the Board between annual appointments.

In addition to satisfying the requirements necessary to be an independent directors, each member of the committee also shall satisfy all requirements necessary from time to time to be “non-employee directors” under SEC Rule 16b-3 and qualified “outside directors” under Section 162(m) of the Internal Revenue Code and related regulations, all as amended from time to time.

Purpose

The purpose of the Compensation Committee shall be to discharge the Board’s responsibilities relating to the compensation of the Company’s executives, and to produce an annual report on executive compensation for inclusion in the Company’s proxy statement, in accordance with applicable statutes, regulations and New York Stock Exchange Listing Standards.

Committee Responsibilities

The Compensation Committee shall have the following authority and responsibility:

1. Review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO’s performance in light of those goals and objectives, and recommend the CEO’s compensation level based on this evaluation. The independent director’s of the board shall have final authority to act on the committee recommendation. This committee responsibility shall apply to the CEO and to any other officer of the Company who is also a director.
2. Provide counsel and oversight of the evaluation and compensation of management of the Company, including base salaries, incentive compensation and equity based compensation.
3. Make recommendations to the board with respect to incentive compensation plans and equity based plans and oversee the administration and discharge any duties imposed on the committee by these plans.

4. Conduct an annual performance evaluation of the compensation committee.
5. Periodically review the compensation of the non-employee directors taking into account the compensation of directors at other comparable companies, and if deemed necessary, recommend to the board modifications to the compensation of the non-employee directors.
6. Periodically review the compensation policies, employee benefit programs and general guidelines being used to compensate all employees of the Company.
7. Sole authority to retain and terminate any compensation consultant engaged to assist in evaluating the compensation of the Company's directors, CEO or other officers and to approve such consultant's fees and other terms of retention.
8. Report its actions and recommendations to the board at the next regularly scheduled board meeting after each committee meeting.

Meetings

The committee shall meet not less than two (2) times during each year and at such other times as a majority of the members shall determine to be necessary or appropriate.

Committee Chairman Responsibilities

The committee chairman shall be responsible for scheduling all meetings of the committee, determining the agenda for each meeting (following consultation with the other members of the committee and with management), presiding over the meetings of the committee and coordinating reporting to the board. In the absence of the committee chairman, the majority of the members of the committee present at the meeting shall appoint a member to preside at the meeting.

Subcommittees

The committee may form subcommittees to assist it in its work when appropriate.