

CABOT OIL & GAS CORP
Form 424B2
February 24, 2016

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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Aggregate Offering Price per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(2)
Common Stock, par value \$.10 per share	50,600,000	\$20.00	\$1,012,000,000	\$101,908.40

(1) Includes 6,600,000 shares of common stock issuable upon exercise of the underwriters' option to purchase additional shares of common stock.

(2) A filing fee of \$101,908.40, calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended, has been transmitted to the U.S. Securities and Exchange Commission in connection with the securities offered by means of this prospectus supplement.

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Filed pursuant to Rule 424(b)(2)
Registration File No. 333-209629

Prospectus supplement to prospectus dated February 22, 2016

44,000,000 shares

Common stock

We are offering 44,000,000 shares of common stock in this offering. We will receive all of the net proceeds from the sale of such common stock.

Our common stock is listed on the New York Stock Exchange, or NYSE, under the trading symbol "COG." The last reported sale price of our common stock on February 22, 2016 was \$21.54 per share.

	Per share	Total
Initial price to public	\$ 20.00	\$ 880,000,000
Underwriting discounts and commissions	\$ 0.325	\$ 14,300,000
Proceeds, before expenses, to Cabot	\$ 19.675	\$ 865,700,000

We have granted the underwriters the option to purchase up to an additional 6,600,000 shares from us at on the same terms and conditions as set forth above.

The underwriters expect to deliver the shares against payment therefor on or about February 26, 2016.

See "**Risk factors**" on page S-3 of this prospectus supplement to read about factors you should consider before buying shares of our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Joint book-running managers

J.P. Morgan

BofA Merrill Lynch
Co-managers

Citigroup

BMO Capital Markets
TD Securities

MUFG
Wells Fargo Securities

February 22, 2016

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You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus and any free writing prospectus prepared by or on behalf of us. We have not authorized any person, including any salesman or broker, to provide any information or to make any representations other than those contained in this prospectus supplement or the accompanying prospectus or any free writing prospectus we have prepared. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are offering to sell the shares, and seeking offers to buy the shares, only in jurisdictions where offers and sales are permitted. You should not assume that the information we have included in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the dates shown in these documents or that any information we have incorporated by reference is accurate as of any date other than the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since that date.

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of this offering and certain other matters relating to our business. The second part, the accompanying prospectus, gives more general information. If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

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Summary

This summary highlights selected information from this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein and therein, but may not contain all information that may be important to you. This prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein and therein include specific terms of this offering, information about our business and financial data. We encourage you to read this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein in their entirety before making an investment decision. Unless otherwise indicated, this prospectus supplement assumes no exercise of the underwriters' option to purchase additional shares. In this prospectus, references to "Cabot," the "Company," "we" and "us" refer to Cabot Oil & Gas Corporation and its subsidiaries.

Cabot Oil & Gas Corporation

We are an independent oil and gas company engaged in the development, exploitation and exploration of oil and gas properties. Our assets are concentrated in areas with known hydrocarbon resources, which are conducive to multi-well, repeatable drilling programs. We operate in one segment, natural gas and oil development, exploitation, exploration and production, in the continental United States. We have offices located in Houston, Texas and Pittsburgh, Pennsylvania. Our principal executive office is located at Three Memorial City Plaza, 840 Gessner Road, Suite 1400, Houston, Texas 77024, and our telephone number at that address is (281) 589-4600.

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The offering

Common stock offered by Cabot	44,000,000 shares(1)
Common stock outstanding after this offering	458,060,202 shares(1)
Option to purchase additional shares	We have granted the underwriters a 30-day option to purchase a maximum of 6,600,000 additional shares of our common stock on the same terms and conditions as set forth on the cover page of this prospectus.
Use of proceeds	We expect the net proceeds from this offering to be approximately \$865.2 million, or approximately \$995.1 million if the underwriters exercise their option to purchase additional shares in full, after deducting the estimated underwriting discounts and estimated offering expenses payable by us. We expect to use the net proceeds of this offering, and any proceeds from the exercise of the underwriters' option to purchase additional shares, for general corporate purposes, including repaying indebtedness under our revolving credit facility, bolstering liquidity and funding a portion of our capital program. Please read "Use of proceeds."
Conflicts of interest	We intend to use a portion of the net proceeds of this offering to repay indebtedness owed by us under our revolving credit facility. Please read "Use of proceeds." Because a repayment of the outstanding borrowings under our revolving credit facility could result in at least 5% of the net proceeds of this offering being paid to affiliates of an underwriter who is a lender under our revolving credit facility, this offering is being made in compliance with the requirements of Rule 5121 of the Financial Industry Regulatory Authority, Inc., or FINRA. In accordance with that rule, no "qualified independent underwriter" is required, because a bona fide public market exists in the shares, as that term is defined in the rule. Please read "Underwriting (conflicts of interest) Conflicts of interest."
NYSE symbol	"COG"

(1) Based on 414,060,202 shares outstanding as of February 12, 2016. Excludes 6,600,000 shares that may be issued to the underwriters pursuant to their option to purchase additional shares.

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Risk factors

You should consider carefully the risks described under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2015, which is incorporated by reference in this prospectus supplement and the accompanying prospectus, as they may be amended, supplemented or superseded from time to time by other reports that we subsequently file with the SEC and in our other filings with the SEC, before making a decision whether to invest in our common stock. Additional risks not presently known to us or that we currently deem immaterial individually or in the aggregate may also materially impair our business operations. Additional risks and uncertainties described elsewhere in this prospectus supplement or in the documents incorporated by reference in this prospectus supplement may also adversely affect our business, operating results, financial condition and prospects, as well as the value of an investment in our common stock.

If any of these risks actually were to occur, our business, financial condition, results of operations or cash flow could be affected materially and adversely.

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Use of proceeds

We expect the net proceeds from this offering to be approximately \$865.2 million, or approximately \$995.1 million if the underwriters exercise their option to purchase additional shares in full, after deducting the estimated underwriting discounts and estimated offering expenses payable by us.

We expect to use the net proceeds of this offering, and any proceeds from the exercise of the underwriters' option to purchase additional shares, for general corporate purposes, including repaying indebtedness under our revolving credit facility, bolstering liquidity and funding a portion of our capital program.

As of December 31, 2015, we had \$413.0 million of borrowings outstanding under our revolving credit facility, which matures in April 2020. As of February 22, 2016, we had \$453 million of borrowings outstanding under our revolving credit facility with a weighted average interest rate of 2.24%. A repayment of the outstanding borrowings under our revolving credit facility could result in at least 5% of the net proceeds of this offering being paid to an affiliate of an underwriter who is a lender under our revolving credit facility. Accordingly, this offering is being made in compliance with the requirements of Rule 5121 of the FINRA rules. Please read "Underwriting (conflicts of interest) Conflicts of interest."

Table of Contents**Capitalization**

Assuming no exercise of the underwriter's option to purchase additional shares, the following table sets forth our unaudited cash and capitalization as of December 31, 2015:

on an actual basis; and

on an as adjusted basis to give effect to the sale of the common stock in this offering and the application of the net proceeds from this offering as described in "Use of proceeds."

You should read this table in conjunction with our historical financial statements and notes that are incorporated by reference into this prospectus supplement and the accompanying base prospectus for additional information about our capital structure.

	December 31, 2015	
	Actual	As adjusted
	(In thousands, except share and per share data)	
Cash and cash equivalents	\$ 514	\$ 452,714
Debt		
Revolving credit facility(1)	\$ 413,000	\$
7.33% weighted-average senior notes	20,000	20,000
6.51% weighted-average senior notes	425,000	425,000
9.78% senior notes	67,000	67,000
5.58% weighted-average senior notes	175,000	175,000
3.65% weighted-average senior notes	925,000	925,000
Total debt	\$ 2,025,000	\$ 1,612,000
Stockholders' equity		
Common stock:		
Authorized 960,000,000 shares of \$0.10 par value		
Issued 423,768,593 shares (actual) and 467,768,593 shares (as adjusted) of \$0.10 par value	42,377	46,777
Additional paid-in capital	721,997	1,582,797
Retained earnings	1,552,014	1,552,014
Accumulated other comprehensive income (loss)	(365)	(365)
Less treasury stock, at cost: 9,892,680 shares	(306,835)	(306,835)
Total stockholders' equity	2,009,188	2,874,388
Total capitalization	\$ 4,034,188	\$ 4,486,388

(1) As of February 22, 2016, we had \$453 million of borrowings outstanding under our revolving credit facility. Please read "Use of proceeds."

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Our common stock is listed and principally traded on the New York Stock Exchange under the ticker symbol "COG."

The following table presents the high and low closing sales prices per share of the common stock during certain periods, as reported in the consolidated transaction reporting system. Cash dividends paid per share of the common stock are also shown.

	High	Low	Dividends
2016			
First Quarter (through February 22, 2016)	\$ 21.54	\$ 15.46	\$ 0.02
2015			
First Quarter	\$ 30.01	\$ 26.44	\$ 0.02
Second Quarter	\$ 35.34	\$ 29.95	\$ 0.02
Third Quarter	\$ 30.98	\$ 21.28	\$ 0.02
Fourth Quarter	\$ 23.70	\$ 15.03	\$ 0.02
2014			
First Quarter	\$ 41.54	\$ 32.18	\$ 0.02
Second Quarter	\$ 39.33	\$ 32.35	\$ 0.02
Third Quarter	\$ 35.16	\$ 31.41	\$ 0.02
Fourth Quarter	\$ 34.71	\$ 28.46	\$ 0.02

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Material U.S. federal income tax considerations for non-U.S. Holders

The following is a discussion of the material U.S. federal income tax considerations applicable to Non-U.S. Holders (as defined below) arising from the acquisition, ownership and disposition of shares of our common stock. This discussion is based upon the Internal Revenue Code of 1986, as amended (the "Code"), Treasury Regulations promulgated under the Code, court decisions, published positions of the Internal Revenue Service (the "IRS") and other applicable authorities, all as in effect on the date of this prospectus supplement and all of which are subject to change or differing interpretations, possibly with retroactive effect.

This summary does not address the U.S. federal income tax considerations of the acquisition, ownership and disposition of shares of our common stock by Non-U.S. Holders that are subject to special provisions under the Code, including Non-U.S. Holders that:

are tax-exempt organizations, qualified retirement plans, or other tax-deferred accounts;

are financial institutions or insurance companies or that are broker-dealers, dealers, or traders in securities or currencies that elect to apply a mark-to-market accounting method;

own shares of our common stock as part of a straddle, hedging transaction, conversion transaction, constructive sale, or other arrangement involving more than one position;

acquire shares of our common stock in connection with the exercise of employee stock options or otherwise as compensation for services;

hold shares of our common stock other than as a capital asset within the meaning of Section 1221 of the Code; or

are U.S. expatriates or former long term residents of the United States.

Moreover, this discussion does not address any aspect of non-income taxation, the Medicare tax on net investment income, any state, local or non-U.S. taxation or the effect of any tax treaty. No ruling has or will be obtained from the IRS regarding the U.S. federal income tax consequences relating to the acquisition, ownership or disposition of shares of our common stock. As a result, no assurance can be given that the IRS will not assert, or that a court will not sustain, a position contrary to the conclusions set forth below.

If a partnership (including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of shares of our common stock, the tax treatment of a partner in that partnership will generally depend on the status of the partner and the activities of the partnership. If you are an organization that is a partnership for U.S. federal income tax purposes or a partner in such organization, you are urged to consult with your own tax advisor as to the U.S. federal income tax considerations that are applicable to you.

THIS DISCUSSION IS NOT A SUBSTITUTE FOR AN INDIVIDUAL ANALYSIS OF THE TAX CONSEQUENCES RELATING TO AN INVESTMENT IN SHARES OF OUR COMMON STOCK. WE URGE YOU TO CONSULT YOUR OWN TAX ADVISOR CONCERNING THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO YOU IN LIGHT OF YOUR PARTICULAR FACTS AND CIRCUMSTANCES AND ANY CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCAL, NON-U.S. OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.

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Non-U.S. Holder

For purposes of this summary, a "Non-U.S. Holder" is a beneficial owner of shares of our common stock that is not a partnership or other entity classified as a partnership for U.S. federal income tax purposes and that is not:

an individual who is a citizen or resident of the United States;

a corporation, or other entity classified as a corporation for U.S. federal income tax purposes, that is created or organized in or under the laws of the United States or any state in the United States, including the District of Columbia;

an estate if the income of such estate is subject to U.S. federal income tax regardless of the source of such income; or

a trust if (i) such trust has validly elected to be treated as a United States person (as defined under the Code) for U.S. federal income tax purposes or (ii) a U.S. court is able to exercise primary supervision over the administration of such trust and one or more United States persons (as defined under the Code) have the authority to control all substantial decisions of such trust.

Distributions

If distributions with respect to shares of our common stock are made, such distributions will be treated as dividends to the extent of our current and accumulated earnings and profits as determined under the Code. Any portion of a distribution that exceeds our current and accumulated earnings and profits will first be applied to reduce the Non-U.S. Holder's basis in its shares of our common stock, and, to the extent such portion exceeds the Non-U.S. Holder's basis, the excess will be treated as gain from the disposition of its shares of our common stock, the tax treatment of which is discussed below under the heading "Gain on sale or other disposition."

Except as described in the discussion below under the headings "Foreign Account Tax Compliance Act" and "Information reporting and backup withholding," any distribution paid in respect of shares of our common stock to a Non-U.S. Holder generally will be subject to U.S. federal withholding tax at a 30% rate (or a lower rate under an applicable tax treaty) of the gross amount of the distribution. To receive the benefit of a reduced treaty rate, a Non-U.S. Holder must provide the applicable withholding agent with an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form) certifying qualification for the reduced rate. Dividends paid to a Non-U.S. Holder that are effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States (and, if an income tax treaty applies, the income is attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States), generally will be subject to U.S. federal income tax on a net income basis at rates and in the manner generally applicable to United States persons (as defined under the Code). Such effectively connected dividends will not be subject to U.S. federal withholding tax if the Non-U.S. Holder satisfies certain certification requirements by providing the applicable withholding agent a properly executed IRS Form W-8ECI certifying eligibility for exemption. If the Non-U.S. Holder is a foreign corporation, the after-tax portion of such dividend may also be subject to the branch profits tax at a rate of 30% (or a lower rate under an applicable income tax treaty).

Gain on sale or other disposition

Except as described in the discussion below under the headings "Foreign Account Tax Compliance Act" and "Information reporting and backup withholding," a Non-U.S. Holder generally will not be subject to U.S.

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federal income tax on any gain realized upon the sale, exchange, or other disposition of shares of our common stock unless:

the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States (and, if an income tax treaty applies, the income is attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States), in which case such gain generally will be subject to U.S. federal income tax on a net income basis at rates and in the manner generally applicable to United States persons (as defined under the Code), and, if the Non-U.S. Holder is a foreign corporation, the after-tax portion of such gain may also be subject to the branch profits tax at a rate of 30% (or a lower rate under an applicable income tax treaty);

the Non-U.S. Holder is an individual present in the United States for 183 days or more in the calendar year of such sale, exchange or other disposition and certain other conditions are met, in which case such gain (which generally may be offset by U.S. source capital losses) will be subject to U.S. federal income tax at a rate of 30% (or a lower rate under an applicable income tax treaty); or

we are or have been a "U.S. real property holding corporation" ("USRPHC") for U.S. federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition and the Non-U.S. Holder's holding period for its shares of our common stock (the "relevant period").

Generally, a corporation is a USRPHC if the fair market value of its U.S. real property interests (which generally include oil and gas interests) equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. We believe that we currently are, and expect to remain for the foreseeable future, a USRPHC for U.S. federal income tax purposes. However, as long as our common stock continues to be "regularly traded on an established securities market" within the meaning of applicable Treasury Regulations ("regularly traded"), only a Non-U.S. Holder that actually or constructively owns, or owned at any time during the relevant period, more than 5% of our common stock will be subject to U.S. federal income tax on a disposition thereof as a result of our status as a USRPHC. If our common stock were not considered regularly traded during the calendar year in which the relevant disposition by a Non-U.S. Holder occurs, such holder (regardless of the percentage of stock owned) generally would be subject to U.S. federal income tax on a disposition of our common stock and a 15% withholding tax generally would apply to the gross proceeds from such disposition. In either case, any gain realized by the Non-U.S. Holder would be taxable on a net income basis at rates and in the manner generally applicable to United States persons (as defined under the Code).

Information reporting and backup withholding

Generally, we must report to the IRS and to the Non-U.S. Holder the amount of any dividends paid to such Non-U.S. Holder and the amount of tax, if any, withheld with respect to those payments. Copies of the information returns reporting such dividends and any withholding may also be made available to the tax authorities in the country in which the Non-U.S. Holder resides under the provisions of an applicable treaty.

In general, a Non-U.S. Holder will not be subject to backup withholding with respect to dividend payments that we make to such Non-U.S. Holder provided that we do not have actual knowledge or reason to know that such Non-U.S. Holder is a United States person, as defined under the Code, and we have received from such Non-U.S. Holder a properly completed IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, or appropriate substitute form or such Non-U.S. Holder otherwise establishes an exemption.

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Generally, no information reporting or backup withholding will be required regarding the proceeds of the sale of shares of our common stock made outside the United States and conducted through the foreign office of a financial intermediary that is not a U.S. payor or U.S. middleman within the meaning of the applicable Treasury Regulations. In addition, no information reporting or backup withholding will be required regarding the proceeds of the sale of shares of our common stock made within the United States or conducted through a financial intermediary that is a U.S. payor or U.S. middleman if the payor receives a properly completed IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, or appropriate substitute form and does not have actual knowledge or reason to know that such Non-U.S. Holder is a United States person, as defined under the Code, or such Non-U.S. Holder otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against the Non-U.S. Holder's U.S. federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the Code and the Treasury Regulations and administrative guidance issued thereunder ("FATCA") generally impose a 30% withholding tax on certain payments made to foreign financial institutions ("FFI") and non-financial foreign entities ("NFFE") unless such FFI or NFFE (1) enters into an agreement with the United States to satisfy certain reporting requirements or (2) otherwise establishes an exception to such reporting requirements as an exempt recipient of such payment. An intergovernmental agreement between the United States and the jurisdiction of residence of such non-U.S. payee may modify these requirements.

FATCA currently applies to dividends paid on, and, after December 31, 2018, will also apply to gross proceeds from the sale, exchange, redemption, retirement or other taxable disposition of, our common stock. Non-U.S. Holders may be affected by FATCA, and you are urged to consult your own tax advisor regarding its potential application. We intend to comply with FATCA and will not pay any additional amounts with respect to such withholding.

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We are offering the shares of common stock described in this prospectus supplement through a number of underwriters. J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as joint book-running managers of the offering and as representatives of the underwriters. We have entered into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus supplement, the number of shares of common stock listed next to its name in the following table:

Name	Number of shares
J.P. Morgan Securities LLC	16,236,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	15,444,000
Citigroup Global Markets Inc.	7,920,000
Wells Fargo Securities, LLC	1,100,000
BMO Capital Markets Corp.	1,100,000
Mitsubishi UFJ Securities (USA), Inc.	1,100,000
TD Securities (USA) LLC	1,100,000
	44,000,000