

Cabot Oil & Gas Provides Operations Update

Discusses Marcellus Shale

HOUSTON, Feb. 13 /PRNewswire-FirstCall/ -- Cabot Oil & Gas Corporation (NYSE: COG) announced success with its initial wells at Trawick field, continued success with its horizontal drilling program at County Line in east Texas, more success at Hinton in Canada and the success of its early initiatives in the Marcellus shale in Appalachia. 'Our focused 2008 drilling program allocates over 80 percent of Cabot's initial budget towards ongoing success in east Texas and our core drilling in Appalachia, plus expanding on our initial successes in the Marcellus shale,' said Dan O. Dinges, Chairman, President and Chief Executive Officer.

County Line - East Texas

Thus far in the field, the Company has drilled 12 successful horizontal James wells with initial production rates as indicated below:

Cabot Operated		County Line Prospect	
Well Number		Horizontal James Drilling	Results
		IP Mmcf per day	
1		15.0	2
9.4	3		9.0
4		12.2	5
13.3	6		12.7
7		12.0	8
3.2	9		10.7
10		10.4	11
14.7	12		15.4
Aggregate 30 day average rate:		5.7 Mmcf of gas per day	
Proved area:		12 miles Potential	
locations:		100-110 proved + 70-100 unproved	
Average working interest:		90 percent	

Cabot will have three rigs in the field with a 2008 program scheduled to drill a minimum of an additional 32 wells.

Total field production has gone from discovery to approximately 35-40 Mmcf per day in the last 15 months, with 17 operated and non-operated wells turned in line. Three wells are currently drilling or completing. Three new gathering lines have expanded the pipeline capacity to over 100 Mmcf per day, with additional pipe currently being planned. The Company's north to south producing well extent at County Line covers 12 miles with several more miles yet to be exploited on its 26,000-acre position. The Company estimates that in this 12 mile area, it has 100-110 undrilled locations. The Company's most recent well, the Timberstar Perry #2 (75% working interest) was completed with an eight-stage frac in a 5,000' lateral at an initial production rate of 15.4 Mmcf per day.

'This is an exciting development project for us. The yield per well of both production and reserves is impressive with outstanding returns on our capital. We will continue our development of the James Lime objectives and later start an initiative to produce the

Pettet objective, which has higher percentage of oil in the production stream. We estimate about 150 to 200 Pettet locations on our acreage,' Dinges commented.

#### Trawick

Cabot has two areas of focus in the Trawick area. With its exploration acreage around the core of the field, Cabot has participated in six successful Travis Peak wells with initial production ranges of 1.0 to 4.0 Mmcf per day. These wells expose Cabot to 1.0 - 1.3 Bcf at a cost of about \$1.4 to \$2.0 million. In the core area of Trawick field, under a farm-in arrangement, Cabot has committed to drill eight wells to earn the acreage. The first earning well has been drilled, completed and tested in the deepest objective, the Haynesville, and has Cotton Valley and Travis Peak opportunities behind pipe. The well is currently being connected to the pipeline for production. The second well, drilling for the same deep objective, is currently drilling and should be logged in approximately three weeks.

'This is a very large contiguous acreage position in east Texas that holds significant potential in the sparsely drilled deeper section with Haynesville and Cotton Valley potential,' said Dinges. 'Strategically we are working on the approval to commingle these zones. In addition, there are numerous un-drilled locations in the Travis Peak, James and Pettet formations that exist in the field.' Dinges added, 'Pursuant to the farm-out agreement we are progressing on a staged earning schedule and have 12 wells planned for 2008. Working with our partner, I feel Cabot will be drilling in this field for many years to come.'

#### Appalachia - Marcellus

'The most exciting new play in the U.S. right now is the Marcellus section of the Devonian shale in the east,' commented Dinges. 'Cabot has a substantial holding of acreage with Marcellus potential and an ongoing program gathering multiple data points.' The Company continues its extensive leasing program in six targeted areas in Pennsylvania and West Virginia, targeting the Marcellus shale. To date, well over 100,000 net acres have been leased. In addition, two vertical wells have been drilled in one area with limited tests from a thick Marcellus section at rates between 800 Mcf and 1,000 Mcf per day. This rate exceeds most of reported industry rates from vertical Marcellus completions. With information from these wells, Cabot has initiated its 20 well development program for 2008 in the area. The third well (vertical) will spud by month-end with the fourth well (horizontal) to spud in March. Pipeline applications and infrastructure support work has begun with expected first production in the third quarter. 'The reason we are excited about this play is the fact that the Marcellus regional shale could contain several hundred TCF of gas in place. This shale is sparsely drilled, both vertically and geographically, it is normal to over-pressured in contrast to the shallower pays in the basin, and it appears to be extensively fractured. Also, the rocks are at the optimum maturation level, with the rock mechanical properties appropriate for maximum stimulation effectiveness. Cabot holds a very large acreage position, both existing and new, with Marcellus potential,' said Dinges.

Dinges added, 'In addition to our leasing, we have begun an effort on our existing leasehold that has proven Marcellus under several hundred thousand of Cabot's acreage in West Virginia.' The Company has deepened several wells to the Marcellus and determined that slick water stimulation is more effective than nitrogen fracs in the higher pressured Marcellus section. Most recently Cabot drilled three vertical wells on its West

Virginia acreage and applied slick water fracs to the Marcellus with encouraging flow test rates between 1.2 and 1.8 Mmcf per day. Cabot has recently spud its first horizontal Marcellus test in West Virginia.

'As we continue gathering this encouraging information we are evaluating different options of capital allocation to enhance our program,' stated Dinges.

#### Hinton

Successful development continues at the Hinton field in Canada. Cabot recently added the Upper Mountain Park sandstone in the Cabot-RSX Hinton 9-20, the fourth well in the field, which is flowing at 7.4 Mmcf per day. The Cabot-RSX Hinton 14-20, the sixth well drilled at Hinton, was completed at an initial test rate of 6.7 Mmcf per day at 6,186 lbs. flowing casing pressure. 'We expect this well to improve after pipeline hook-up,' said Dinges. 'Cabot has reached total depth on the Cabot-RSX Hinton 4-15 and will complete the logged pay in the Mountain Park sandstone.' Dinges added, 'We have also found in each of our wells apparent shallow fractured shale, which made significant gas while drilling. We plan to attempt a completion in this zone in the near future.'

#### Other News

Cabot recently took advantage of the natural gas market's strength to expand its 2008 hedge position and initiate a 2009 position. In total the Company executed contracts (all zero cost collars), covering 2008 and six contracts covering 2009. 'Details of the company's positions are on our website; the 2009 positions were executed at the basis location and were completed off of a \$9.60 NYMEX price per Mcf,' commented Dinges. 'We will continue to be opportunistic and add to our hedge position.'

Cabot Oil & Gas Corporation, headquartered in Houston, Texas is a leading independent natural gas producer with substantial interests in the Gulf Coast, including Texas and Louisiana; the West, with the Rocky Mountains and Mid-Continent; the East and in Canada. For additional information, visit the Company's Internet homepage at <http://www.cabotog.com>.

The statements regarding future financial performance and results and the other statements which are not historical facts contained in this release are forward-looking statements that involve risks and uncertainties, including, but not limited to, market factors, the market price (including regional basis differentials) of natural gas and oil, results of future drilling and marketing activity, future production and costs, and other factors detailed in the Company's Securities and Exchange Commission filings.

SOURCE Cabot Oil & Gas Corporation

CONTACT: Scott Schroeder of Cabot Oil & Gas Corporation,  
+1-281-589-4993