

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
 From: Market Watch
 Date: March 23, 2007
 Re: **Cabot Oil & Gas Corp (COG) - 2 for 1 Stock Split**

Cabot Oil & Gas Corp (COG) has declared a 2 for 1 stock split payable to share holders of record on Friday, March 16, 2007. Distribution date for the stock split will be Friday, March 30, 2007. **Ex-distribution date for the stock split will be Monday, April 2, 2007.**

The Options Clearing Corporation (OCC), pursuant to OCC By-Laws, intends to issue on the distribution date (1) additional COG option contract for each option contract held. Further, on the ex-distribution date each COG series will have an adjusted exercise (strike) price equal to 1/2 of the exercise (strike) price for each COG series existing on the business day preceding the ex-distribution date. For example, beginning on Monday, April 2, 2007 an account holding (2) COG APR 35 calls (COG DG) will hold (4) COG APR 17 1/2 calls (COG DW). Customers should be advised that (1) contract in the adjusted COG series will still represent 100 shares of COG common shares.

POSITION/EXERCISE LIMITS:

Position and exercise limits will change from 75,000 to 150,000 contracts until the expiration date of January 17, 2009

GOOD-TILL-CANCELLED (GTC) ORDERS:

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the ex-distribution or effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

The resulting list of adjusted strike prices and symbols is as follows:

Cabot Oil & Gas Corp (COG) (Before 4/2/2007) (1 Contract)					Cabot Oil & Gas Corp (COG) (Beginning 4/2/2007) (2 Contracts)				
			Calls	Puts			Calls	Puts	
COG	APR	35	DG	PG	COG	APR	17 1/2	DW	PW
COG	APR	40	DH	PH	COG	APR	20	DD	PD
COG	APR	45	DI	PI	COG	APR	22 1/2	DX	PX
COG	APR	50	DJ	PJ	COG	APR	25	DE	PE
COG	APR	55	DK	PK	COG	APR	27 1/2	DY	PY
COG	APR	60	DL	PL	COG	APR	30	DF	PF
COG	APR	65	DM	PM	COG	APR	32 1/2	DZ	PZ
COG	APR	70	DN	PN	COG	APR	35	DG	PG
COG	APR	75	DO	PO	COG	APR	37 1/2	DU	PU
COG	MAY	55	EK	QK	COG	MAY	27 1/2	EY	QY
COG	MAY	60	EL	QL	COG	MAY	30	EF	QF
COG	MAY	65	EM	QM	COG	MAY	32 1/2	EZ	QZ
COG	MAY	70	EN	QN	COG	MAY	35	EG	QG
COG	MAY	75	EO	QO	COG	MAY	37 1/2	EU	QU
COG	JUL	45	GI	SI	COG	JUL	22 1/2	GX	SX
COG	JUL	50	GJ	SJ	COG	JUL	25	GE	SE
COG	JUL	55	GK	SK	COG	JUL	27 1/2	GY	SY
COG	JUL	60	GL	SL	COG	JUL	30	GF	SF
COG	JUL	65	GM	SM	COG	JUL	32 1/2	GZ	SZ
COG	JUL	70	GN	SN	COG	JUL	35	GG	SG
COG	JUL	75	GO	SO	COG	JUL	37 1/2	GU	SU

Cabot Oil & Gas Corp (COG)
(Before 4/2/2007)
(1 Contract)

			Calls	Puts
COG	OCT	55	JK	VK
COG	OCT	60	JL	VL
COG	OCT	65	JM	VM
COG	OCT	70	JN	VN
COG	OCT	75	JO	VO
COG	OCT	80	JP	VP

Cabot Oil & Gas Corp (COG)
(Beginning 4/2/2007)
(2 Contracts)

			Calls	Puts
COG	OCT	27 1/2	JY	VY
COG	OCT	30	JF	VF
COG	OCT	32 1/2	JZ	VZ
COG	OCT	35	JG	VG
COG	OCT	37 1/2	JU	VU
COG	OCT	40	JH	VH

Cabot Oil & Gas Corp - 2008 Leap (LHK)
(Before 4/2/2007)
(1 Contract)

			Calls	Put
LHK	JAN	35	AG	MG
LHK	JAN	40	AH	MH
LHK	JAN	45	AI	MI
LHK	JAN	50	AJ	MJ
LHK	JAN	55	AK	MK
LHK	JAN	60	AL	ML
LHK	JAN	70	AN	MN
LHK	JAN	80	AP	MP

Cabot Oil & Gas Corp - 2008 Leap (LHK)
(Beginning 4/2/2007)
(2 Contracts)

			Calls	Put
LHK	JAN	17 1/2	AW	MW
LHK	JAN	20	AD	MD
LHK	JAN	22 1/2	AX	MX
LHK	JAN	25	AE	ME
LHK	JAN	27 1/2	AY	MY
LHK	JAN	30	AF	MF
LHK	JAN	35	AG	MG
LHK	JAN	40	AH	MH

Cabot Oil & Gas Corp - 2009 Leap (ZIL)
(Before 4/2/2007)
(1 Contract)

			Calls	Put
ZIL	JAN	20	AD	MD
ZIL	JAN	30	AF	MF
ZIL	JAN	40	AH	MH
ZIL	JAN	50	AJ	MJ
ZIL	JAN	60	AL	ML
ZIL	JAN	70	AN	MN
ZIL	JAN	75	AO	MO

Cabot Oil & Gas Corp - 2009 Leap (ZIL)
(Beginning 4/2/2007)
(2 Contracts)

			Calls	Put
ZIL	JAN	10	AB	MB
ZIL	JAN	15	AC	MC
ZIL	JAN	20	AD	MD
ZIL	JAN	25	AE	ME
ZIL	JAN	30	AF	MF
ZIL	JAN	35	AG	MG
ZIL	JAN	37 1/2	AU	MU

Any additional COG series that are added prior to the ex-date will also be adjusted in the manner described above.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2,
or (215) 496-1508.