

CABOT CORP

Form 4

December 21, 2007

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
SPO ADVISORY CORP

(Last) (First) (Middle)

**591 REDWOOD HIGHWAY,
SUITE 3215,**

(Street)

MILL VALLEY, CA 94941

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

CABOT CORP [CBT]

3. Date of Earliest Transaction
(Month/Day/Year)

12/19/2007

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____X____ 10% Owner
____ Officer (give title below) ____ Other (specify below)

6. Individual or Joint/Group Filing(Check
Applicable Line)

____ Form filed by One Reporting Person
____X____ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	12/20/2007		P	1,100 A \$ 33.3	9,442,600	I (1) (2) (3)	See footnotes
Common Stock	12/20/2007		P	800 A \$ 33.31	9,443,400	I	See footnotes
Common Stock	12/20/2007		P	100 A \$ 33.32	9,443,500	I	See footnotes
Common Stock	12/20/2007		P	100 A \$ 33.33	9,443,600	I	See footnotes
Common Stock	12/20/2007		P	100 A \$ 33.34	9,443,700	I	See footnotes

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Common Stock	12/20/2007	P	200	A	\$ 33.35	9,443,900	I	See footnotes
Common Stock	12/20/2007	P	100	A	\$ 33.36	9,444,000	I	See footnotes
Common Stock	12/20/2007	P	800	A	\$ 33.37	9,444,800	I	See footnotes
Common Stock	12/20/2007	P	400	A	\$ 33.38	9,445,200	I	See footnotes
Common Stock	12/20/2007	P	300	A	\$ 33.39	9,445,500	I	See footnotes
Common Stock	12/20/2007	P	100	A	\$ 33.4	9,445,600	I	See footnotes

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Report Transaction (Instr. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
SPO ADVISORY CORP 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941	X
SPO ADVISORY PARTNERS LP 591 REDWOOD HIGHWAY, SUITE 3215	X

MILL VALLEY, CA 94941

SPO PARTNERS II LP

591 REDWOOD HIGHWAY, SUITE 3215

X

MILL VALLEY, CA 94941

Elizabeth R. & William J. Patterson Foundation

591 REDWOOD HIGHWAY

X

SUITE 3215

MILL VALLEY, CA 94941

SCULLY JOHN H

591 REDWOOD HIGHWAY, SUITE 3215

X

MILL VALLEY, CA 94941

OBERNDORF WILLIAM E

591 REDWOOD HIGHWAY, SUITE 3215

X

MILL VALLEY, CA 94941

PATTERSON WILLIAM J

591 REDWOOD HIGHWAY, SUITE 3215

X

MILL VALLEY, CA 94941

Signatures

Kim M. Silva,

Attorney-in-Fact

12/21/2007

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) The entities directly acquiring the shares reported on this form are SPO Partners II, L.P. ("SPO Partners"), which bought 169,800 shares, and the Elizabeth R. & William J. Patterson Foundation ("WJPFND"), which bought 2,600 shares.

- (2) Due to the purchases causing this filing and related filings today, 9,030,000 shares are owned directly by SPO Partners, and may be deemed to be indirectly beneficially owned by (i) SPO Advisory Partners, L.P. ("SPO Advisory"), the sole general partner of SPO Partners, (ii) SPO Advisory Corp. ("SPO Corp."), the sole general partner of SPO Advisory, and (iii) John H. Scully ("JHS"), William E. Oberndorf ("WEO") and William J. Patterson ("WJP"), the three controlling persons of SPO Corp. 415,600 shares are owned directly by San Francisco Partners, L.P. ("SF Partners"), and may be deemed to be indirectly beneficially owned by (i) SF Advisory Partners, L.P. ("SF Advisory"), the sole general partner of SF Partners, (ii) SPO Corp., the sole general partner of SF Advisory, and (iii) JHS, WEO and WJP, the three controlling persons of SPO Corp. These shares are represented in the running total in Column 5 above, which does not include 7,600 shares held by WJPFND.

- (3) Additionally, (i) 333,650 shares of the issuer's common stock may be deemed to be indirectly beneficially owned by WEO solely in his capacity as a trustee for the William and Susan Oberndorf Trust, dated 10/15/98 ("Oberndorf Trust"), (ii) 100,000 shares may be deemed to be indirectly beneficially owned by WEO solely in his capacity as general partner of Oberndorf Family Partners, a California limited partnership, (iii) WEO owns 109,000 shares in his IRA, which is self-directed, and (iv) 10,000 shares may be deemed to be indirectly beneficially owned by WEO solely in his capacity as trustee for the accounts of his two children, Peter C. Oberndorf & William Ernst Oberndorf.

Remarks:

Form 4 of 4.

The persons listed in Note (1) and Note (2) above (each a "Reporting Person") may be deemed to form a "group", as such term

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Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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