CABOT CORP Form 4 July 18, 2006

FORM 4

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

OMB Number:

Check this box if no longer subject to Section 16.

obligations

1(b).

(Last)

may continue.

See Instruction

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF Form 4 or Form 5

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

SECURITIES

(Print or Type Responses)

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

> (First) (Middle)

591 REDWOOD HIGHWAY, **SUITE 3215**

(Street)

2. Issuer Name and Ticker or Trading Symbol

CABOT CORP [CBT]

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

07/14/2006

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

5. Relationship of Reporting Person(s) to Issuer

OMB APPROVAL

Expires:

response...

Estimated average

burden hours per

3235-0287

January 31,

2005

0.5

(Check all applicable)

Director _X__ 10% Owner __ Other (specify Officer (give title 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

MILL VALLEY, CA 94941

(City)	(State)	(Zip) Tak	-Derivative	red, 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. Transactic Code (Instr. 8)	omr Dispos (Instr. 3,	ed of	` ′	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)
Common Stock	07/18/2006		P	1,800	A	\$ 31.96	9,174,050	I (1) (2) (3) (4)	See footnotes
Common Stock	07/18/2006		P	3,200	A	\$ 31.97	9,177,250	I (1) (2) (3) (4)	See footnotes
Common Stock	07/18/2006		P	5,500	A	\$ 31.9702	9,182,750	I (1) (2) (3) (4)	See footnotes
Common Stock	07/18/2006		P	2,200	A	\$ 31.98	9,184,950	I (1) (2) (3) (4)	See footnotes
Common Stock	07/18/2006		P	2,000	A	\$ 31.99	9,186,950	I (1) (2) (3) (4)	See footnotes

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Common Stock 07/18/2006 P 92,000 A \$ 32 9,278,950 $\frac{I_{\frac{(1)}{2}}}{\frac{(4)}{2}}$ See footnotes

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474

(9-02)

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

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exer	cisable and	7. Titl	e and	8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	orNumber	Expiration D	ate	Amou	nt of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	/Year)	Under	lying	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securi	ities	(Instr. 5)	Bene
	Derivative				Securities			(Instr.	3 and 4)		Own
	Security				Acquired						Follo
	•				(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						
					4, and 5)						
									Amount		
						Date	Expiration		or		
						Exercisable	Date	Title	Number		
				G 1 17	(A) (D)				of		
				Code V	(A) (D)				Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships						
coporting of their runter, reduces	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 MILL VALLEY, CA 94941		X					
SPO PARTNERS II LP 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941		X					
SF ADVISORY PARTNERS LP 591 REDWOOD HIGHWAY , SUITE 3215 MILL VALLEY, CA 94941		X					
SAN FRANCISCO PARTNERS II LP 591 REDWOOD HIGHWAY, SUITE 3215 MILL VALLEY, CA 94941		X					

Reporting Owners 2

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 07/18/2006

**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 acquiring these shares are SPO Partners II, L.P. ("SPO Partners") and San Francisco Partners, L.P. ("SF Partners"). 62,300 of these shares were acquired by SPO Partners and 106,200 were acquired by SF Partners.
 - As a result of the purchases causing this filing, 8,414,700 shares of the issuer's common stock 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"),
- (2) William E. Oberndorf ("WEO") and William J. Patterson ("WJP"), the three controlling persons of SPO Corp. 415,600 shares of the issuer's common stock are owned directly by 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.
 - Additionally, separate from the entities above, (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
- (3) 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 and (iii) 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 and William Ernst Oberndorf.
- (4) Additionally, 5,000 shares of the issuer's common stock are owned directly by Betty Jane Weimer.

Remarks:

Form 2 of 2.

The persons listed in Note (1) above (each a "Reporting Person") may be deemed to form a "group", as such term is defined in Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Signatures 3