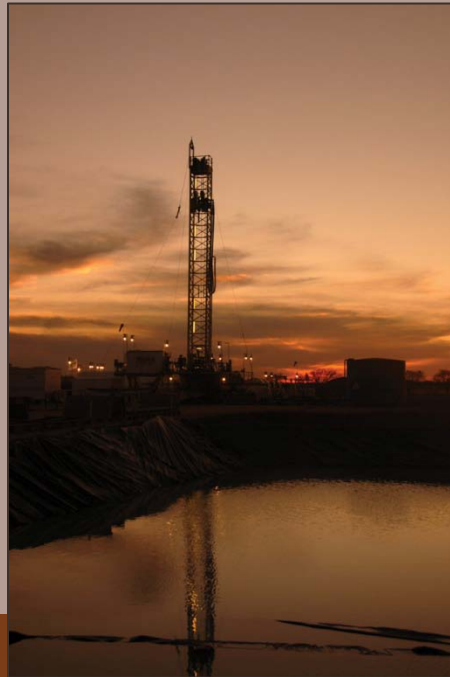


Permian Basin Oil & Liquids Focus



ENERGEN®



Safe Harbor Disclosure



This presentation contains statements expressing expectations of future plans, objectives, and performance that constitute forward-looking statements made pursuant to the Safe Harbor Provision of the Private Securities Litigation Reform Act of 1995. Unless noted, these statements do not reflect possible or pending acquisitions, divestitures, or restructurings. Statements based on *expectations* are forward-looking statements that are dependent on certain events, risks, and uncertainties that could cause actual results to differ materially from those anticipated. A discussion of risks and uncertainties may be found in the Company's periodic reports filed with the SEC.

Today's Energen



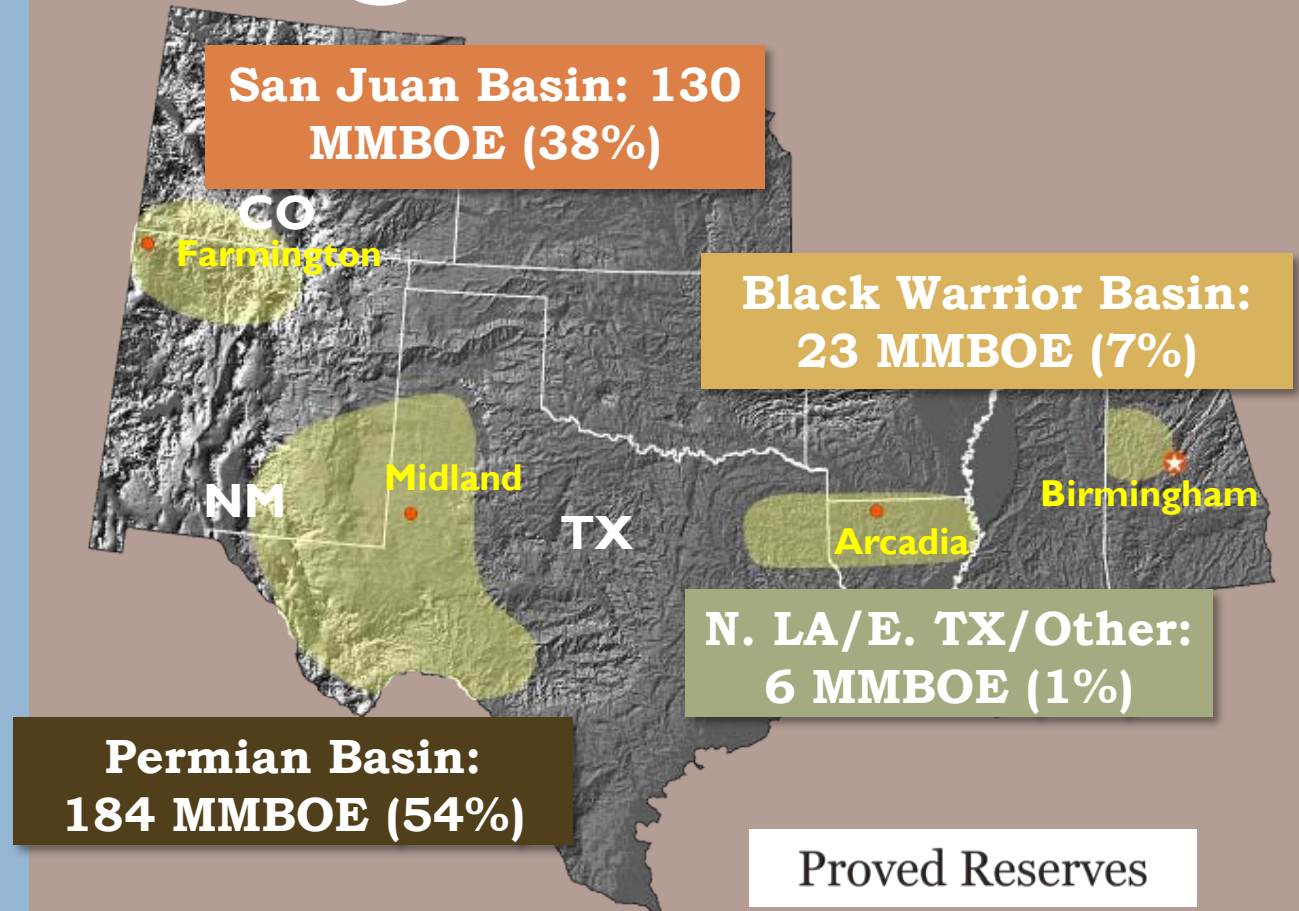
- Top 20 independent producer of domestic oil, NGL & natural gas
- 3P reserves: >900 MMBOE
- Permian Basin/liquids focus
- Financial strength and capacity to drill & develop Permian assets
- Hedging program that supports predictable cash flows



Top 20 Independent Producer*

- 343 MMBOE of proved reserves at YE2011
- 591 MMBOE of unproved reserves at 3/31/11
- Major presence in 3 largest areas of operation

- Onshore domestic driller

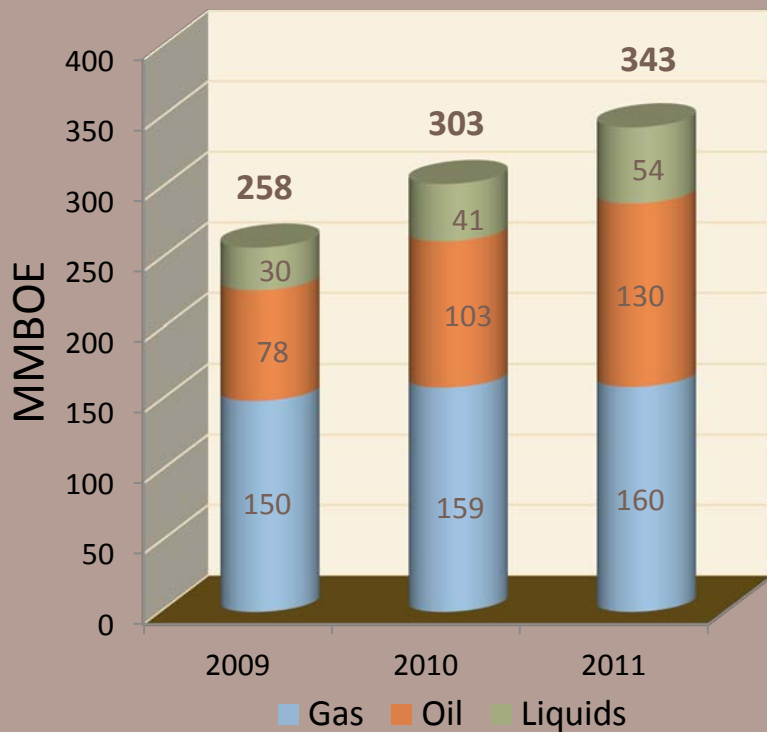


* Based on North American Proved Reserves at YE10, Bloomberg

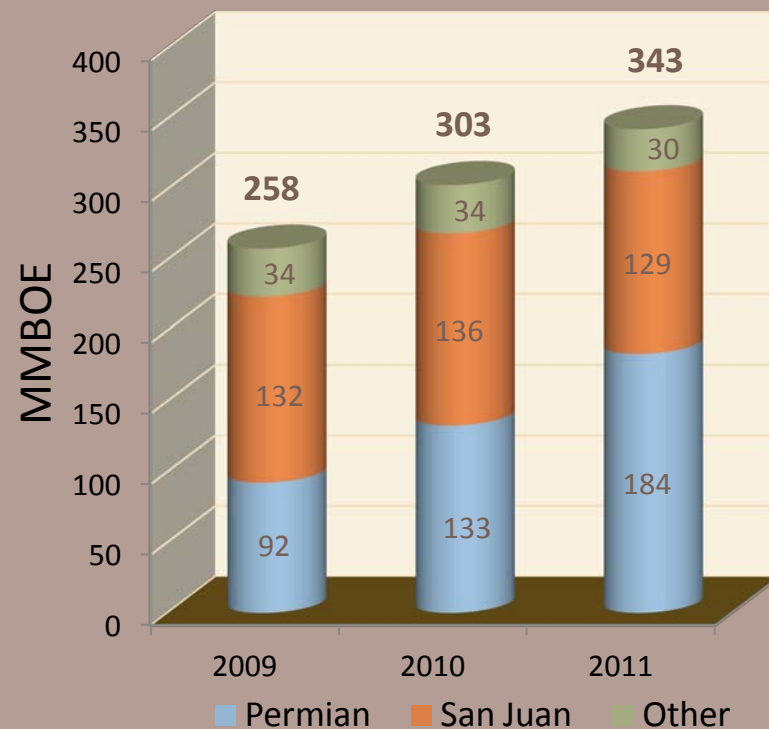
YE Proved Reserves Up 13%



• Proved Reserves Mix



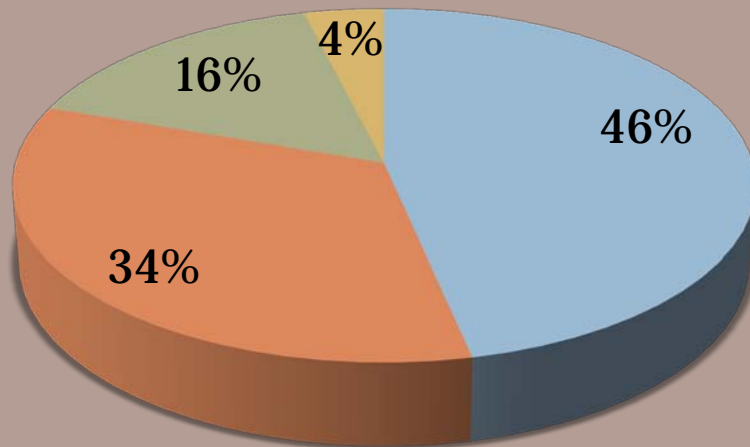
• Proved Reserves by Basin



2012 E&P Capital, Drilling Plans



- Record Capital Investment (existing properties): ≈\$890 MM
- ≈95% in Permian Basin



Permian Basin	}	■ Wolfberry - \$415 MM
		■ Delaware Basin - \$300 MM
		■ Other Permian - \$140 MM
		■ San Juan - \$35 MM



Wolfberry Play

- 7-8 rigs
- 170 net wells
- Est. production: 4.2 MMBOE



Delaware Basin Trends

- 5-7 rigs
- 39 net wells
- Est. production: 2.1 MMBOE



Other Permian Basin

- 1-2 rigs
- 119 net wells*
- Est. production: 5 MMBOE



San Juan Basin

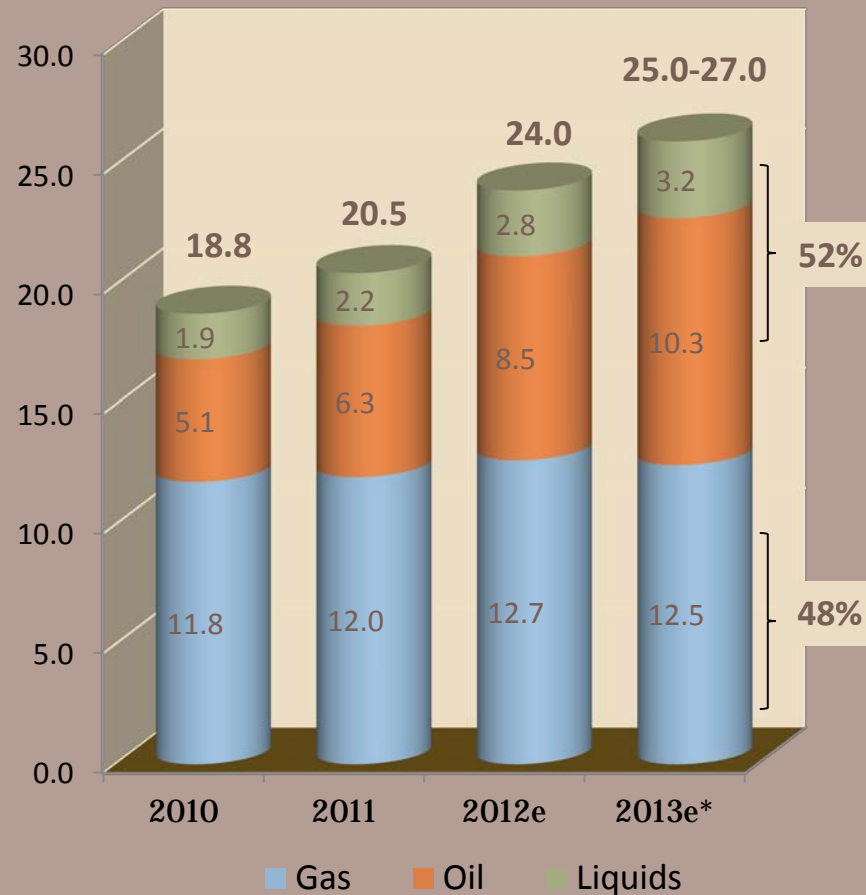
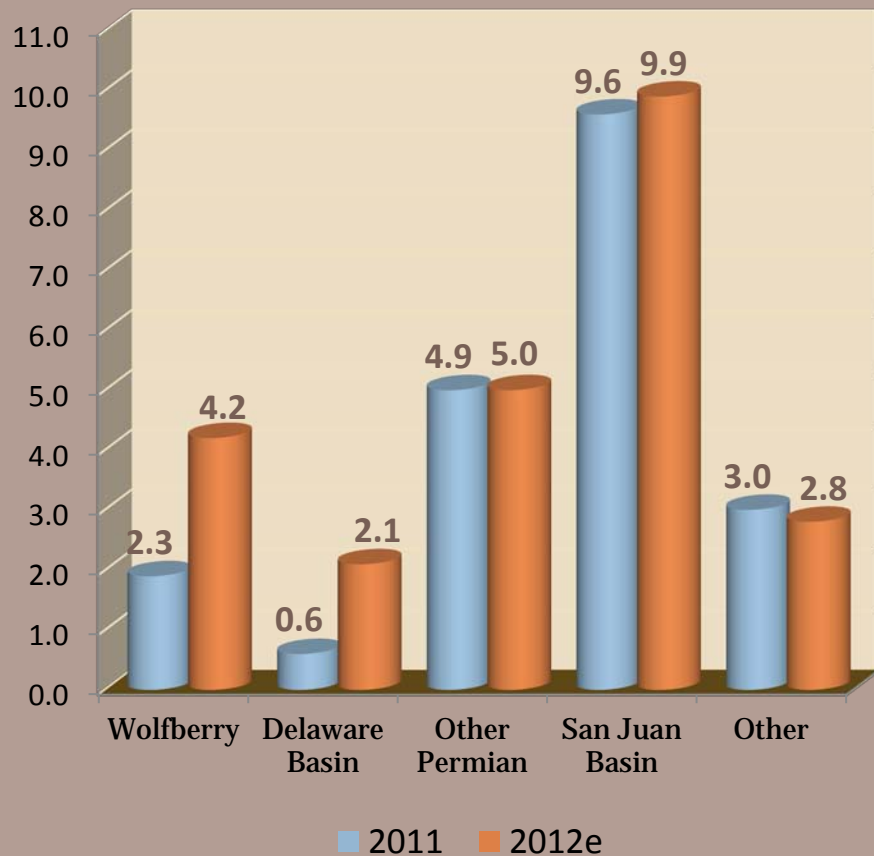
- 1-2 rigs first half of 2012
- 8 net wells
- Est. production : 9.9 MMBOE

* Includes 33 injector wells

Liquids Focus Drives Growth



• Production (MMBOE)



* 2013e production graphed at midpoint of guidance range

Preliminary 2013 E&P Plans



- Capital investment : ≈\$855 MM
- More than 85% in Permian Basin



Wolfberry

- 7-8 rigs
- 170 net wells



Delaware Basin

- 5 rigs
- 31 net wells



Other Permian

- 1-2 rigs
- 83 wells*



San Juan

- 1-2 rigs
- 45 wells

* Includes 34 injector wells

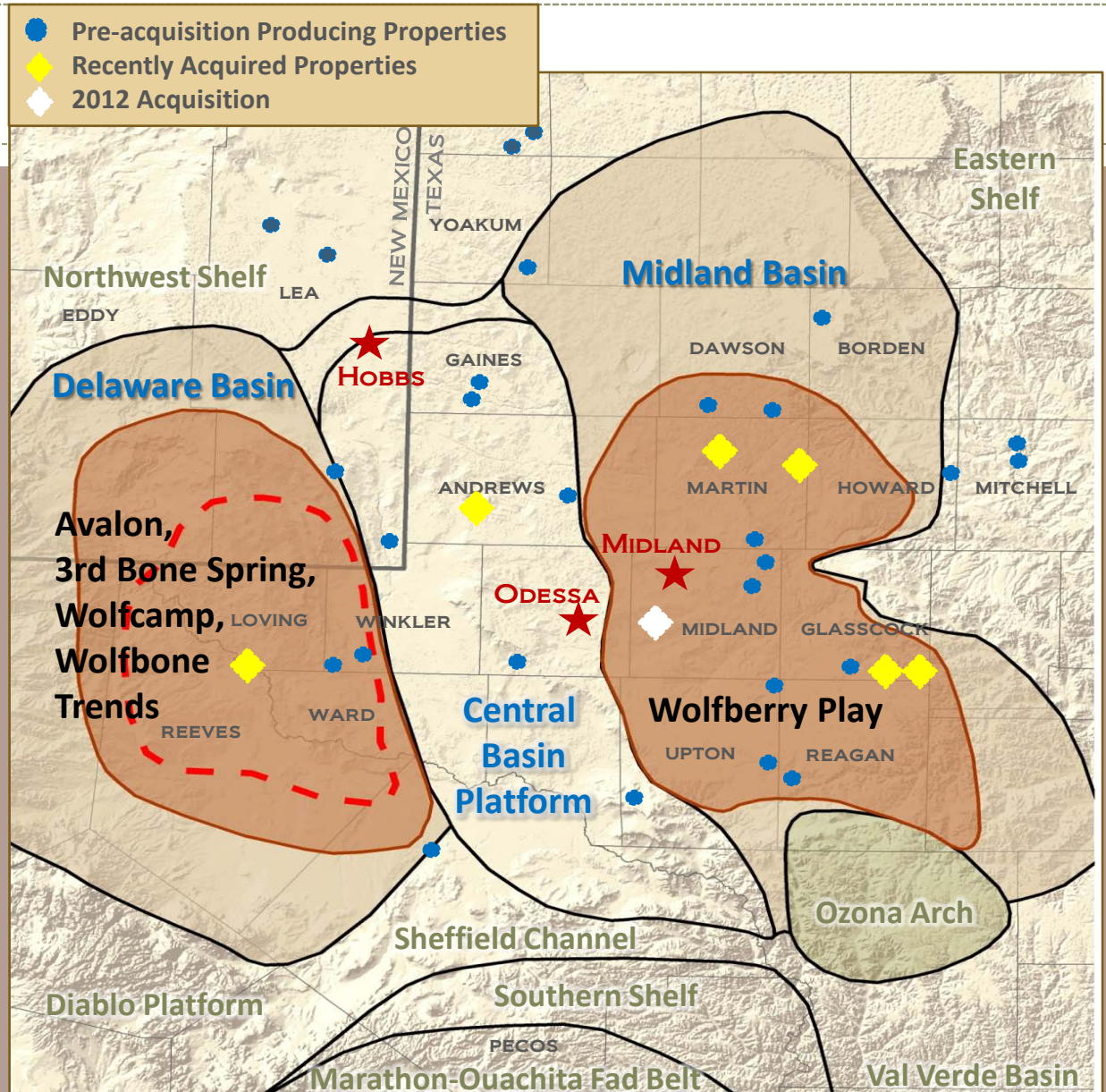
2010-2013e Production Growth

	3-Year Growth	
	CAGR	Aggregate
Oil	25-27%	96-106%
NGL	16-23%	58-84%
Total Liquids	23-26%	86-100%
Natural Gas	1-3%	2-10%
TOTAL	10-13%	33-44%

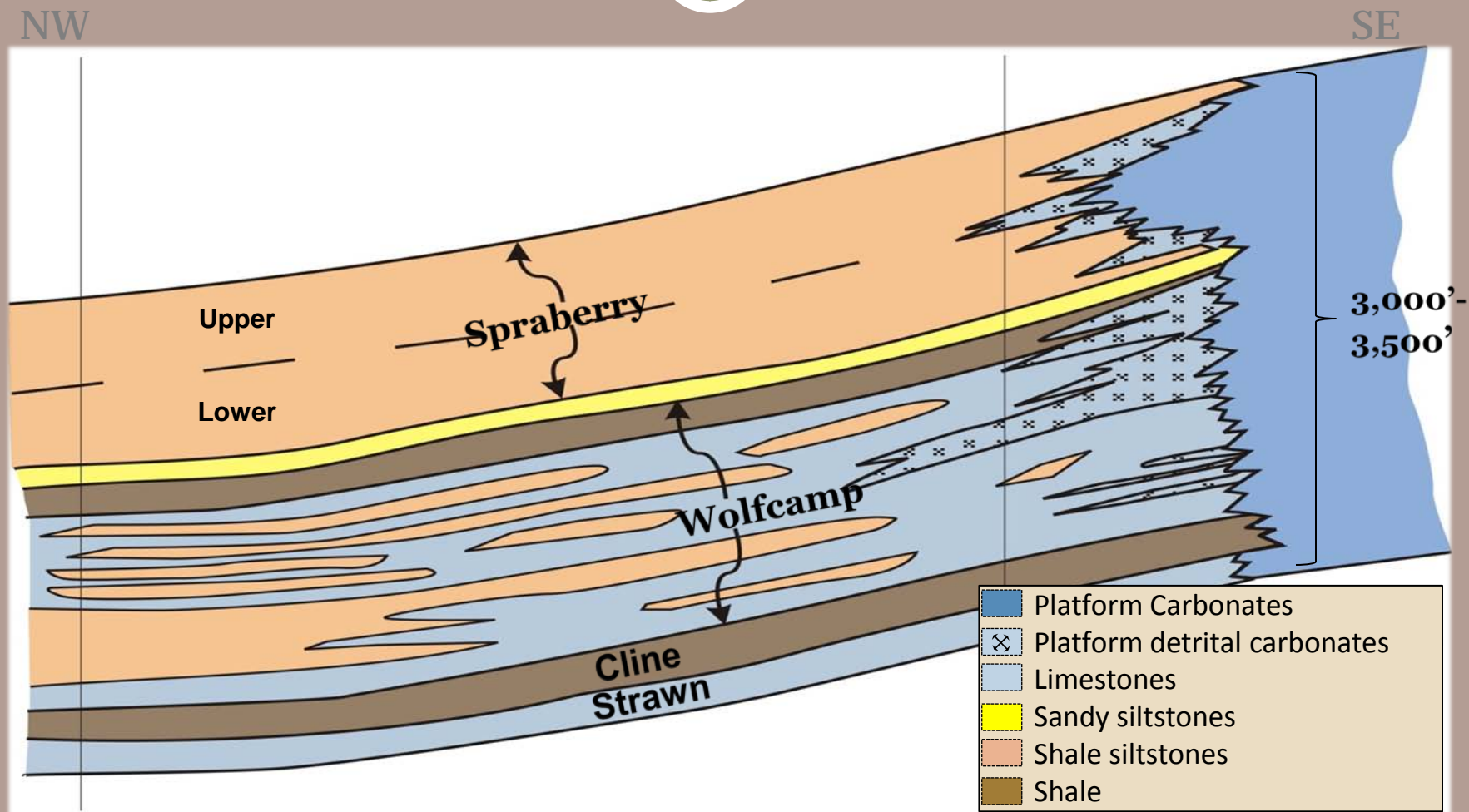


PERMIAN OVERVIEW

- 6 major acquisitions 2009-11
- \$65.8 MM acquisition in February 2012
- Midland Basin
 - Wolfberry
- Delaware Basin
 - 3rd Bone Spring
 - Wolfcamp
 - Wolfbone
 - Trends
- Central Basin Platform:
 - San Andres (Fuhrman-Mascho)
 - Waterfloods



Midland Basin Strata



Midland Basin



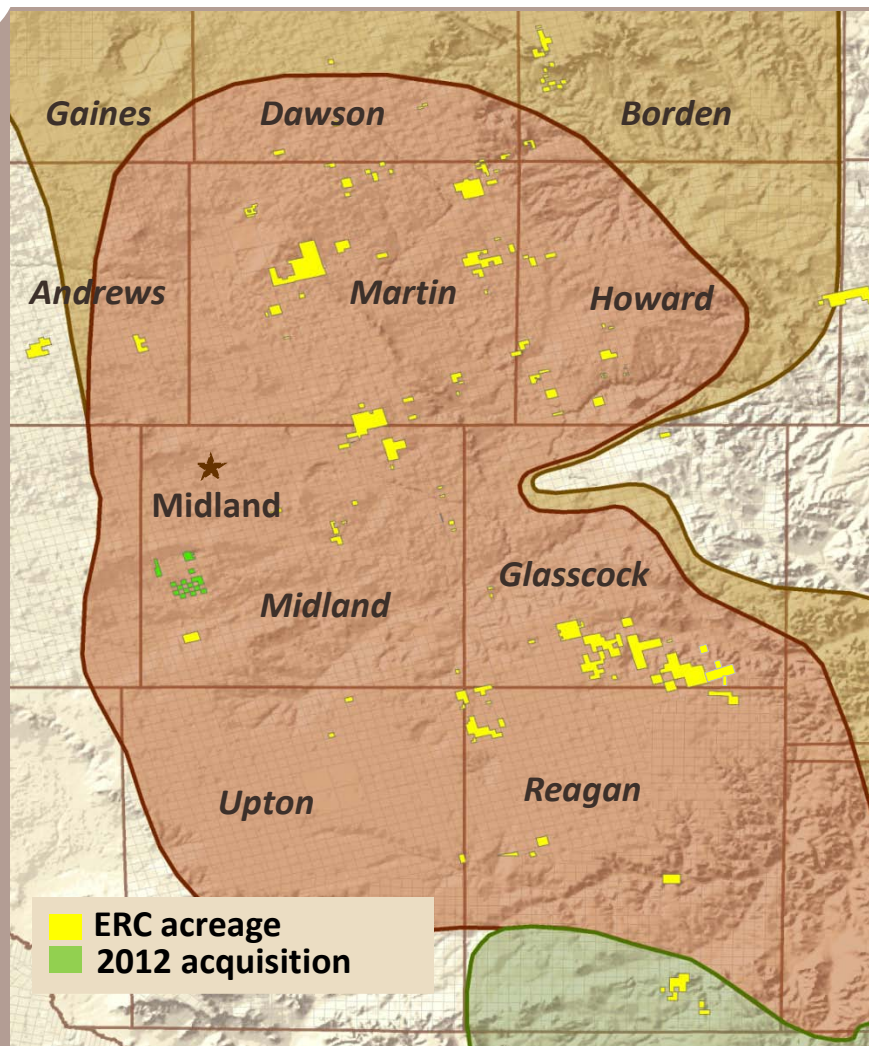
WOLFBERRY PLAY

- Multi-stage fracs (6-8)
- Completion interval: 7,500'-10,500'
- EUR: 155 MBOE
- NRI: 75%
- 2012 drill & complete cost: ≈\$2.3 MM
- Avg. product mix (basin-wide):
63% oil/25% NGL/12% gas
- ≈34,600 net undeveloped acres; 865 potential locations on 40-acre spacing

Initial stabilized rate:

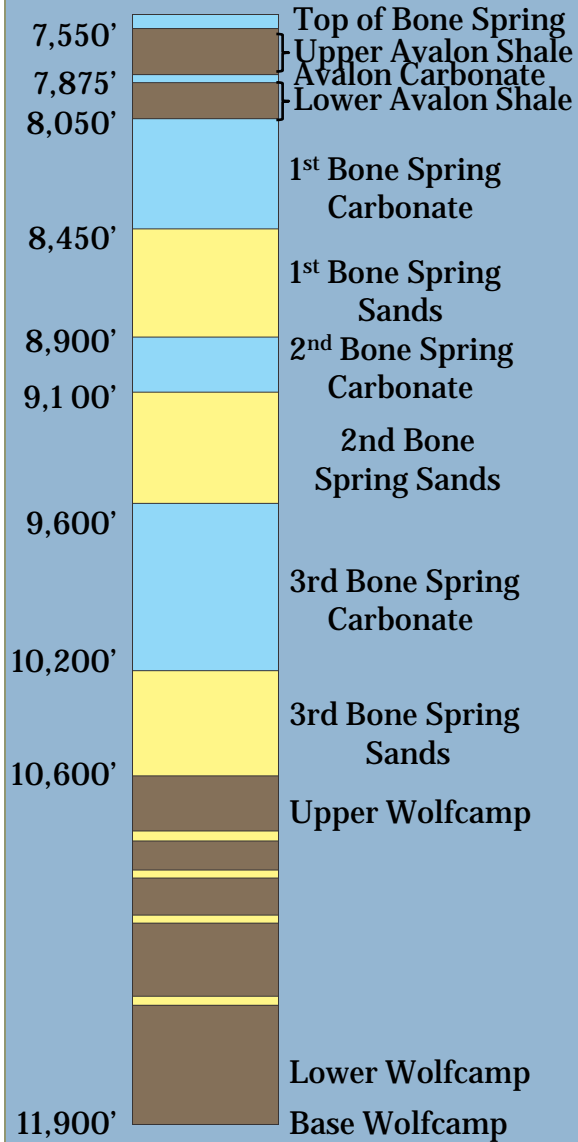
4Q wells (39): 90 BOE/d (72% oil)

Risked Model: 73 BOE/d (75% oil)



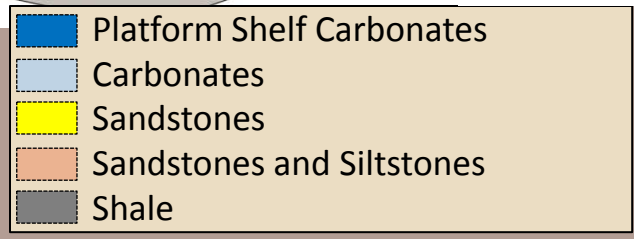
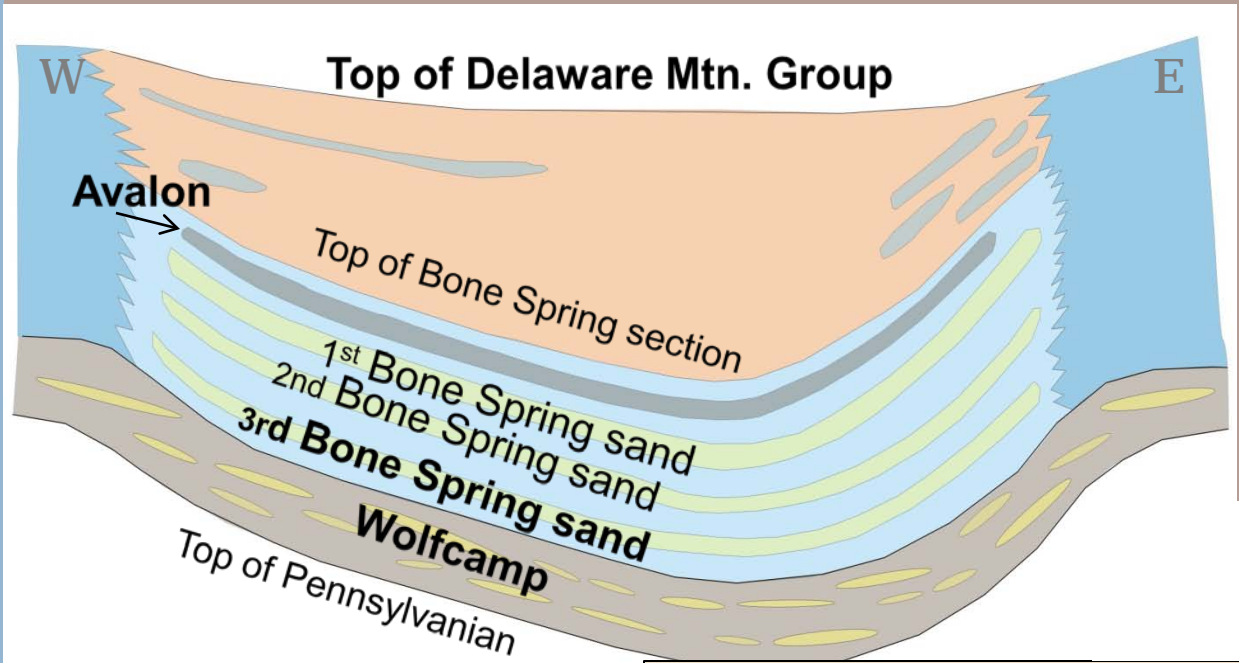


Delaware Basin Strata



Western Shelf

Central Basin Platform

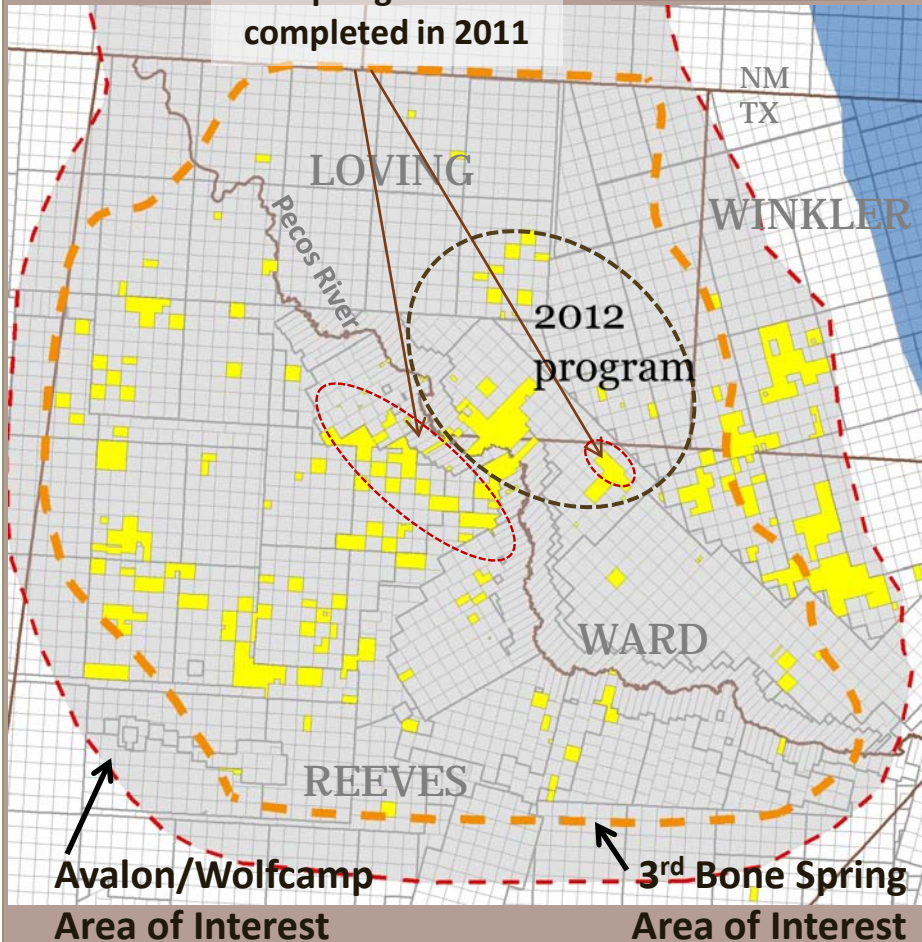


Delaware Basin



20 net 3rd Bone
Spring wells
completed in 2011

 ERC acreage



3RD BONE SPRING SANDS

- Multi-stage fracs (8-10)
- EUR: 400-450 MBOE
- NRI: 75%
- 2012 drill & complete cost: ≈\$7.5 MM
- Weighted avg. product mix (basin-wide):
57% oil/21% NGL/22% gas
- ≈68,000 net undeveloped acres; 210 potential locations on 320-acre spacing

Initial stabilized rate:

4Q11 (7 wells): 665 BOE/d (73% oil)

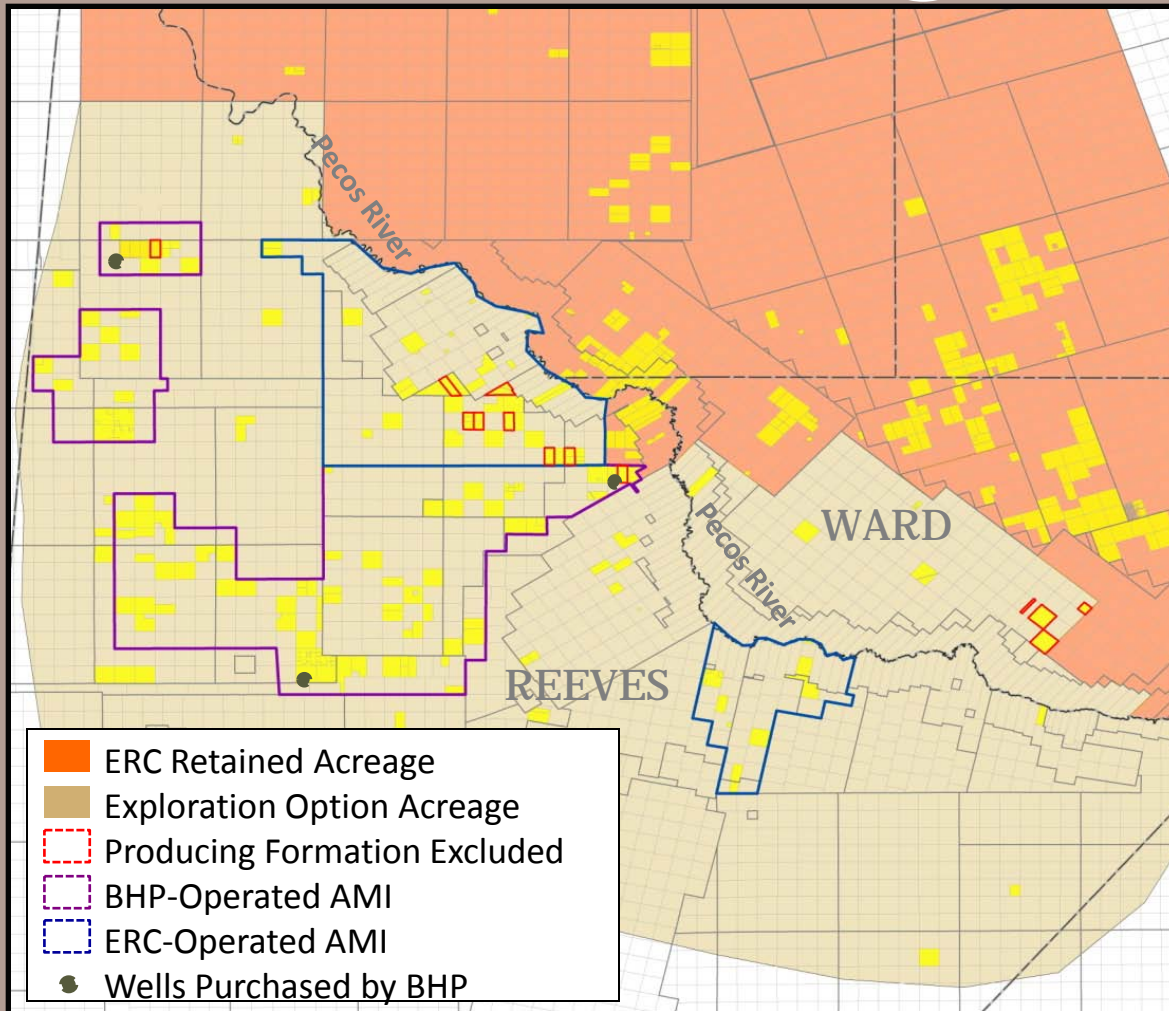
CY11 (20 wells): 573 BOE/d (70% oil)

Risked Model: 383BOE/d (68% oil)

WOLFCAMP & AVALON SHALES

- ≈110,000 net undeveloped acres; 340 potential locations on 320-acre spacing in each trend

Exploration Option Acreage



- BHP Billiton buys 50% undivided interest in 3 wells - \$18 MM
 - After initiating horizontal completions on 2 wells, BHP will own 50% undivided interest in 4,829 net acres
 - BHP will carry Energen in completion operations of the 2 wells
- BHP has option to purchase 50% undivided interest in 51,720 net acres by May 1, 2012
- If BHP exercises purchase option, Energen expects to recoup its investment in the acreage while still retaining 50% interest



NIOBRARA SHALE

■ HBP

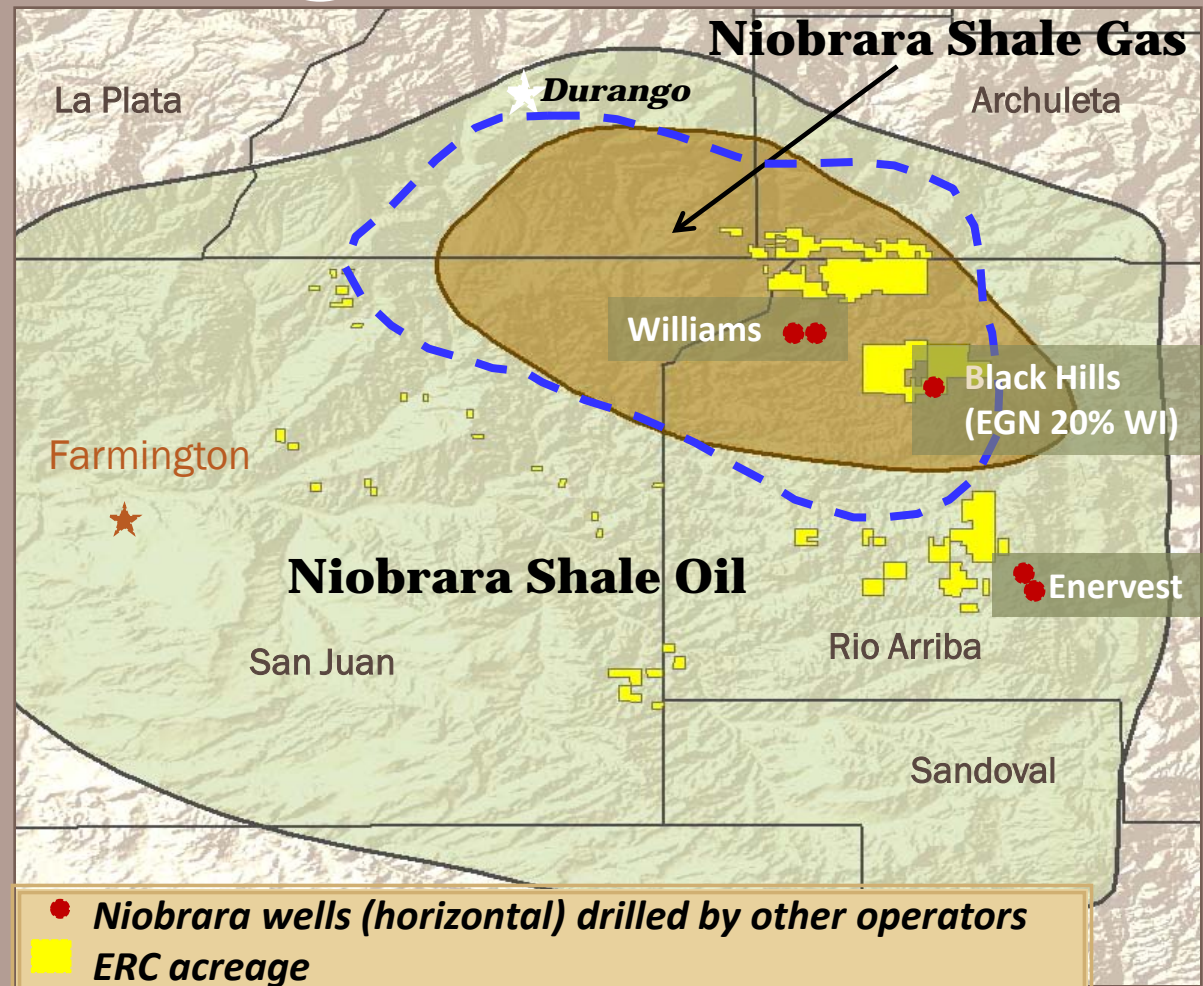
■ Gas phase

- 58,500 net undeveloped acres
- 854 Bcfe of possible reserves

■ Oil phase

- 54,000 net undeveloped acres
- 51.5 MMBOE of possible reserves

• Long-term Optionality

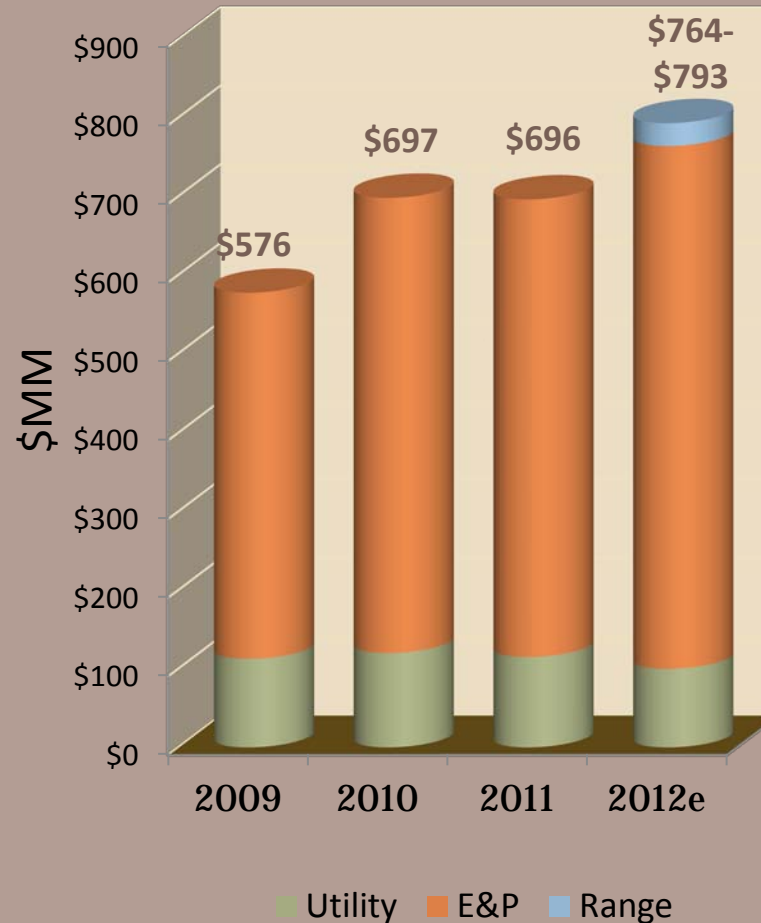




ASSUMPTIONS

- Production: 24 MMBOE
 - 63% hedged
 - 17% total growth
 - 33% liquids growth
- Unhedged price assumptions: \$3.00 gas, \$95 oil, \$1.11 NGL
- Est. expenses/BOE:
 - LOE: \$9.47
 - Prod. Taxes \$2.41
 - DD&A: \$15.34
 - G&A: \$2.93
 - Interest : \$2.01

• After-tax Cash Flows



HEDGING MINIMIZES PRICE RISK



- 63% of 2012(e) production hedged
- 2012(e) cash costs: \approx \$15/BOE
- 2012 (e) net income break-even: \approx \$30/BOE

50% NGL Hedged
at \$0.98

53% Gas Hedged
at NYMEXe \$4.86

82% Oil Hedged
at NYMEXe \$88.13

2012

2012

	Hedged Volumes	Estimated Production	Hedge %	NYMEXe Price
Oil	6.9 MMBO	8.5 MMBO	82%	\$ 88.13
NGL	58.5 MMgal	117.9 MMgal	50%	\$ 0.98
Gas	40.5 Bcf	76.5 Bcf	53%	\$ 4.86

2013

	Hedge Volumes	Estimated Production	NYMEXe Price
Oil	8.1 MMBO	10.0-10.5 MMBO	\$ 90.52
NGL	44.5 MMgal	126.0-147.0 MMgal	\$ 1.02
Gas	38.9 Bcf	72.0-78.0 Bcf	\$ 5.04

2014

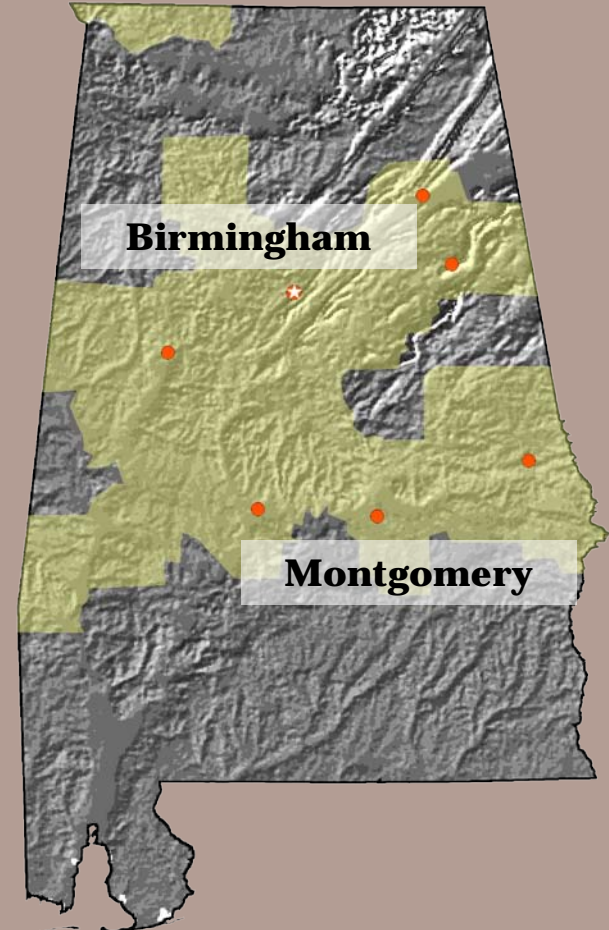
	Hedge Volumes	NYMEXe Price
Oil	7.1 MMBO	\$ 91.75
Gas	29.8 Bcf	\$ 5.07

UTILITY OPERATIONS



- Single-state utility
- >425,000 customers
- Allowed ROE: 13.15-13.65%
- Forward-looking test year
- Temperature adjustment

RY ROE(%)	2007	2008	2009	2010	2011
Allowed	13.15 - 13.65				
Earned	13.3	13.1	13.3	13.5	13.3



30 YEARS OF DIVIDEND GROWTH



- 2012 dividend raised 3.7%
- Altagasco funds dividend at utility payout $\geq 65\%$
- ERC may make small payout contribution

• Annual Dividend Rate



ENERGEN: IN SUMMARY



- Liquids-focused
- Significant Hedges
- Strong Cash Flows
- Excellent Fundamentals
- Proven Track Record

ATCF RECONCILIATION TO GAAP



ENERGEN (\$ in millions)	Years Ended 12/31				
	2010	2011	2012e		
Net income (GAAP)	\$ 291	\$ 260	\$ 228	-	\$ 257
DD&A	\$ 248	\$ 284	\$ 415	-	\$ 415
Deferred income taxes, net	\$ 134	\$ 129	\$ 121	-	\$ 126
Other	\$ 67	\$ 64	-	-	-
After-tax cash flows (Non-GAAP)	\$740	\$ 737	\$ 764	-	\$ 793
Changes in assets & liabilities and other	\$(69)	\$ 25	\$ (13)	-	\$ (13)
Net cash provided by operating activities (GAAP)	\$ 671	\$ 762	\$ 751	-	\$ 780

Note: 2012e data constitute forward-looking statements

The U.S. Securities and Exchange Commission (SEC) requires public companies to reconcile Non-GAAP financial measures to related GAAP measures. GAAP refers to generally accepted accounting principles. After-tax Cash Flow (ATCF) is a Non-GAAP financial measure. Energen believes ATCF is relevant as a measure of cash available to fund its capital expenditures, dividends, debt reduction, and other investments.

E&P ATCF RECONCILIATION



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After-tax cash flows (Non-GAAP)	\$ 740	\$ 737	\$ 764	-	\$ 793
Less: AGC cash flows from operations	\$(120)	\$ (115)	\$ (100)	-	\$ (100)
Adj. cash flows from ops excl. AGC (Non-GAAP)	\$ 620	\$ 622	\$ 664	-	\$ 693

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FOR MORE INFORMATION



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