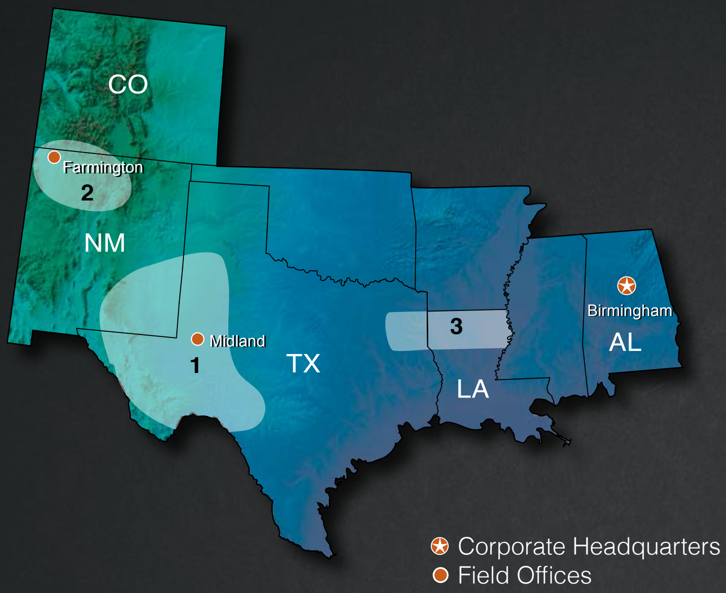
ENERGEN®

2013 ANNUAL REPORT

Summary & Form 10-K

Oil & Gas Reserve Locations



Area	Reserves (MBOE)
1. Permian Basin	246,586
2. San Juan Basin/Other	97,372
3. N. LA /E. TX*	3,877
TOTAL	**347,835**

Proved reserves at 12/31/13

* N. LA/E. TX assets held for sale

Utility Service Area

About the Cover

The Wolfcamp shale has emerged as one of the hottest horizontal oil plays in the Permian Basin. Energen has substantial, unrisked drilling potential in this thick, multi-bench shale in both the Midland and Delaware basins there, and more than 50 percent of the company's 2014 planned capital investment in drilling and development activities is going toward its Wolfcamp programs in west Texas.

Corporate Profile

Energen Corporation: Headquartered in Birmingham, Alabama, Energen Corporation is a growing oil and gas exploration and production company complemented by its legacy natural gas distribution business. Energen is focused on increasing its production of oil and natural gas liquids in the Permian Basin.

Energen Resources Corporation: An active driller in the Permian Basin, Energen Resources is an independent producer of oil, natural gas liquids, and natural gas in the continental United States. Approximately 70 percent of the company's proved reserves at year-end 2013 are in the Permian Basin in west Texas.

Alabama Gas Corporation: Energen's legacy business provides the holding company with the strength and stability of a mature natural gas utility. Alagasco is the largest local distribution company in Alabama, providing clean-burning, energy-efficient natural gas to more than 422,000 homes, businesses, and industries in central and parts of north Alabama.

Forward-Looking Statements

This summary 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 Securities and Exchange Commission (SEC).

You should not place undue reliance on any of the Company's forward-looking statements. All forward-looking statements speak only as of the date on which such statements are made, and the Company undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by applicable law.

Oil and Gas Quantities: Cautionary Statement

The SEC permits oil and gas companies to disclose in SEC filings only proved, probable, and possible reserves that meet the SEC's definitions for such terms, and price and cost sensitivities for such reserves, and prohibits disclosure of resources that do not constitute such reserves. Outside SEC filings, the Company uses the terms "estimated ultimate recovery" or "EUR," reserve or resource "potential," and other descriptions of volumes of reserves potentially recoverable through additional drilling or recovery techniques. These estimates are inherently more speculative than estimates of proved, probable, and possible reserves and are subject to substantially greater risk of actually being realized by the Company.

EUR estimates, potential drilling locations, and resource potential estimates have not been risked by the Company. Actual locations drilled and quantities that may be ultimately recovered from the Company's interest may differ substantially from the Company's estimates. There is no commitment by the Company to drill all of the drilling locations that have been attributed these quantities. Factors affecting ultimate recovery include the scope of the Company's ongoing drilling program, which will be directly affected by the availability of capital, drilling, and production costs, availability of drilling and completion services and equipment, drilling results, lease expirations, regulatory approval, and actual drilling results, as well as geological and mechanical factors. Estimates of unproved reserves, type/decline curves, per-well EUR, and resource potential may change significantly as development of the Company's oil and gas assets provides additional data.

To Our Shareholders

James T. McManus, II
Chairman and Chief Executive Officer

After 18 years of expansion through the successful acquisition of producing oil and gas properties with exploitation potential, Energen Corporation reached an important turning point in 2013.

The company's foreseeable future resides in the thick shales, rich with oil and natural gas liquids (NGL), that lie within much of the Permian Basin…and in the drill bit that can bring these domestic resources to market.

This opportunity set of almost 5,600 unrisked drilling locations presents us with future growth potential that has never looked more promising.

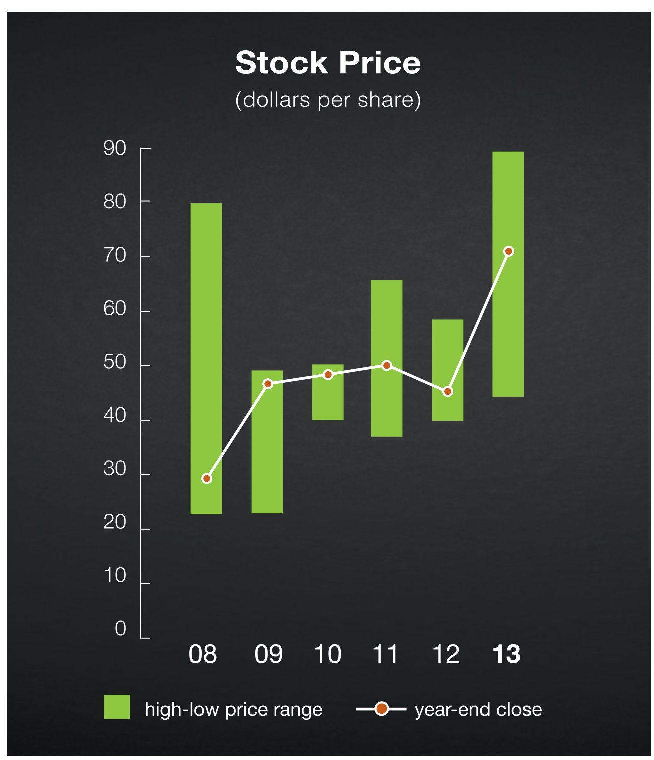
The Evolution of Energen

In 1995 Energen primarily was a single-state natural gas utility. We also owned a small oil and gas exploration and production (E&P) company that developed coalbed methane in central Alabama. In the fall of that year, Energen embarked on a strategy for diversified growth that focused on acquiring oil and gas properties in the United States and exploiting their full potential.

Over the ensuing years, both business units grew, but the pace was far greater at the unregulated E&P subsidiary, Energen Resources Corporation.

As a consolidated entity, Energen's market capitalization at the end of rate-year 1995 was approximately $240 million. In just five years, the company's market cap increased to more than $900 million; at the same time, Energen Resources' contribution to consolidated net income increased from 18 percent to 51 percent.

By the end of 2007, just before the national economy began its visible descent into recession, Energen touted a market cap of $4.6 billion; our E&P operations generated more than 85 percent of consolidated net income; and more than 70 percent of our proved reserves were located in three natural gas-producing basins.



In the second half of 2008, the prices of natural gas and crude oil fell sharply with demand. The general expectation was that, once the economy began to strengthen, demand would be stimulated and prices would recover. We concurred in the case of oil prices.

As for natural gas prices, Energen's senior management felt the prospect for a speedy recovery was unlikely because, concurrent with the economic recession, a natural gas shale revolution was unfolding. We were concerned that rapidly growing supplies would likely keep prices low even as demand increased.

Energen quickly moved to refocus our E&P efforts in the oil-rich Permian Basin, where we had approximately 27 percent of our proved reserves at year-end 2008. Between 2009 and 2013, we utilized our underleveraged balance sheet to invest more than $1 billion to acquire producing properties and unproved leasehold in the Permian Basin. We invested record and near-record levels of capital to exploit these properties by developing the 3rd Bone Spring sands in the Delaware Basin and the multi-zoned, vertical Wolfberry in the Midland Basin.

Over the last three years, these two oil- and NGL-rich plays were the drivers of a 32 percent compound annual growth rate in Permian Basin production. By the end of 2013, the Permian Basin was home to more than 70 percent of Energen's proved reserves and was generating 61 percent of our total production from continuing operations in 2013.

As it turned out, we had made the right call on commodity prices. NYMEX oil prices averaged over $95 per barrel in 2013, while natural gas prices averaged less than $4 per thousand cubic feet.

An Excellent Opportunity Set

Most of the proved property and unproved leasehold we acquired over the last several years included a thick, multi-bench shale that was being explored south of the Midland Basin and considered an interesting, potential opportunity further north.

During 2013 the Wolfcamp shale emerged as one of the hottest horizontal oil plays in the Permian's Delaware and Midland basins. And Energen is one of the few operators with substantial acreage in both areas.

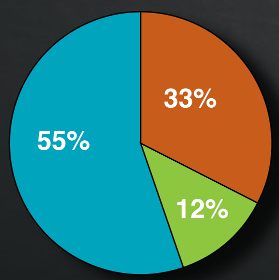
In the Midland Basin…

With our Midland Basin acreage easily held by Wolfberry activity, we chose to let nearby operators continue to derisk the Wolfcamp and Cline shales there in 2012. Then in 2013 we began to explore the A and B benches of the Wolfcamp shale ourselves in southern Glasscock County.

Oil & NGL Production Growth

(from Continuing Operations)

2010

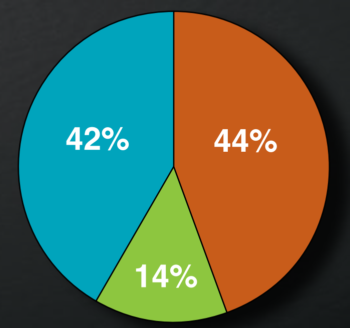


15.6 MMBOE

Over the last three years, Energen has increased its oil and NGL production at an average compound growth rate of 25% a year. Energen's "liquids" production today comprises well over half of its total production from continuing operations.

Oil
Natural Gas Liquids
Natural Gas

2013



23.3 MMBOE

The results of our first five exploratory wells have shown good consistency and potential for repeatability. We were so encouraged that we are moving into initial development of the Wolfcamp A and B benches in southern Glasscock County in 2014.

Four rigs have begun drilling the first of 40 gross wells – 20 pairs of stacked laterals. We estimate the unrisked ultimate recoveries from these development wells will range from 550,000-750,000 barrels of oil equivalent (BOE) for a 6,700-foot lateral to 650,000-850,000 BOE for a 7,500-foot lateral.

In addition, we are utilizing two rigs in our exploratory program in the Midland Basin to drill 17 gross Wolfcamp wells and 2 gross Cline wells as we work towards continued delineation of our acreage.

Approximately 45 percent of our 2014 planned capital investment in drilling and development activities is going toward our Wolfcamp and Cline program in the Midland Basin.

As we assessed our acreage position in the Midland Basin at year-end, we identified almost 2,100 unrisked Wolfcamp drilling locations across 65,500 net acres. These locations assume 660-foot spacing, include all three benches of the Wolfcamp, and account for lateral lengths of 4,400 feet to 7,500 feet. In addition, we have an estimated 81,500 net acres (including the Eastern Shelf) with Cline potential on which we have 400 unrisked locations.

At the same time we are accelerating our Wolfcamp and Cline activity in the Midland Basin, we are reducing our vertical Wolfberry drilling due to the higher returns we expect to achieve in the horizontal plays.

In the Delaware Basin…
While neighboring operators were derisking the Midland Basin Wolfcamp and Cline in 2012, the Delaware Basin Wolfcamp was left largely unexplored. Faced with lease expirations on the eastern side of the Delaware Basin in an area where there was no potential for 3rd Bone Spring production, we moved ahead in 2012 with some exploratory wells of our own.

The early results were mixed but encouraging. We worked to perfect our landing zones, changed our hydraulic fracturing fluid to slick water, and improved our stimulation techniques. The results of our 2013 drilling program were better. Much better. In fact, as of this writing, we have drilled three of the highest producing Wolfcamp wells in the southern Delaware Basin on the basis of peak 24-hour rates (three stream).

Our best initial performer so far is the Winchester 57-10 #1H in western Reeves County. It tested at a

peak 24-hour initial production rate (three stream) of 2,387 BOE per day; 41 percent of its product mix was oil. The Winchester's peak 30-day average rate was an impressive 2,186 BOE per day, with oil comprising 38 percent of the product stream.

The eight wells in our 2013 program that we have drilled and completed are varied in their product mix. Those to the east have lower initial rates and higher oil percentages than do those to the west. This variation does not imply poor economics for any of the wells, simply different economics.

In 2014 we are concentrating on drilling in the southern Delaware Basin to hold leases, further delineate our extensive acreage position, and drive down well costs. We plan to have two rigs working the Wolfcamp play there this year and expect to drill and operate 12 gross Wolfcamp wells.

We estimate that we have 3,115 unrisked potential drilling locations in the three benches of the Wolfcamp in the Delaware Basin across our 106,000 net acres.

Since 2010, we have drilled more than 100 operated 3rd Bone Spring wells in the southern Delaware Basin. But that program is nearing its end. After drilling 22 net wells planned for this year, only 5 net locations will remain. The conclusion of this excellent development program in 2015 will, however, free up capital to invest in our fast-growing horizontal shale plays.

Growth in a Transition Year

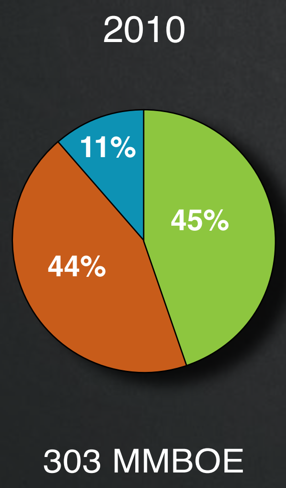
Production from continuing operations in 2014 is estimated to range from 24.4 million BOE to 25.4 million BOE. At the midpoint, this reflects a 16 percent increase in total Permian Basin production, year over year. Production in the San Juan Basin, our primary natural gas-producing region, is expected to decline approximately 8 percent in 2014 as we continue to focus our capital investment exclusively in oil- and NGL-rich plays.

In the Midland Basin, where the company is transitioning from its vertical Wolfberry focus to a focus on the Wolfcamp and Cline shales, production is estimated to grow 45 percent, year over year; and in the Delaware Basin, with rapid growth in 3rd Bone Spring production slowing, total basin production is estimated to increase 15 percent. Limited drilling potential remains in the Central Basin Platform, and we anticipate production from our legacy oil assets there to decline some 16 percent.

The Rest of the Story

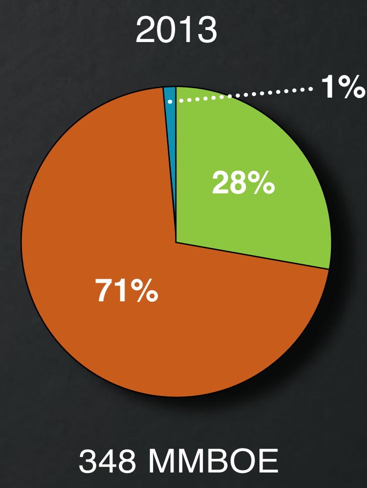
Alabama Gas Corporation (Alagasco), our natural gas utility, worked with state regulators in 2013 to renew its rate-setting mechanism for five years.

Permian Basin Proved Reserve Growth



Energen's strategic focus on oil and NGL growth has resulted in its Permian Basin proved reserves increasing at an average compound growth rate of 23% annually over the last three years. The Permian Basin today is home to 71% of Energen's proved reserves.

- Permian Basin
- San Juan Basin
- Other



The company's allowed range of return on equity was reduced to 10.5-10.95 percent.

Our legacy asset remains a financially solid business that is dedicated to providing high-quality customer service to the more than 422,000 homes, businesses, and industries it serves in central and parts of north Alabama.

Alagasco also is the primary contributor of Energen's cash dividend. In January 2014, your Board of Directors increased Energen's quarterly cash dividend by 3.4 percent to 15 cents per share. This marked the 32nd consecutive year that Energen's cash dividend has been increased. On an annualized basis, the company's new dividend rate is 60 cents per share.

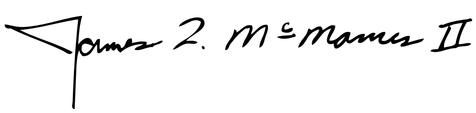
Beyond Wolfcamp and Cline

The Permian Basin is a remarkable place for domestic oil production, and additional opportunities are emerging in a variety of potential horizontal plays that could provide still further growth prospects for Energen. These include the Spraberry, Atoka, Barnett, and Mississippi Lime.

Just as in the last several years, Energen's capital investment in the San Juan Basin will be limited in 2014. There are no plans for new gas wells to be drilled. We do plan, however, to participate as a non-operated partner in at least a couple of wells that are targeting a potential oil shale play there – the Niobrara.

We have approximately 73,000 net undeveloped acres in this potential play, all of which are held by production. We look forward to getting a cost-effective, first-hand look in 2014 at what this oil shale may hold for Energen.

For now, of course, our focus is on the Wolfcamp and Cline shales. Our inventory of almost 5,600 unrisked drilling locations in these two plays is particularly significant for a company our size. With continued success in exploration and development, Energen stands to be very busy in the Permian Basin for many years.



James T. McManus, II
Chairman and Chief Executive Officer

February 28, 2014

Board of Directors

Kenneth W. Dewey (60) A,C
Co-founder and board member,
Caymus Capital Partners, LLC,
Key Largo, FL, 2007

T. Michael Goodrich (68) B,C
Retired Chairman and CEO, BE&K, Inc.,
Birmingham, AL, 2000

M. James Gorrie (51) A
President and CEO,
Brasfield & Gorrie, LLC,
Birmingham, AL, 2014

Jay Grinney (63) A,C
President and CEO,
HealthSouth Corporation,
Birmingham, AL, 2012

Frances Powell Hawes (59) A
Independent Financial Consultant,
Houston, TX, 2013

James T. McManus, II (55)
Chairman and CEO,
Energen and all subsidiaries, 2006

Judy M. Merritt (70) A,B
President, Jefferson State
Community College,
Birmingham, AL, 1993

Stephen A. Snider (66) B,C
Retired CEO, Exterran Holdings, Inc.,
Houston, TX, 2000

Gary C. Youngblood (70) B
Retired President and COO,
Alabama Gas Corporation,
Birmingham, AL, 2003

Committee assignments effective April 1, 2014:
A. Audit Committee B. Governance and Nominations Committee C. Officer's Review Committee

Officers

Energen Corporation

James T. McManus, II (55)
Chairman and Chief Executive Officer,
Energen and all subsidiaries, 1986*

William K. Bibb (60)
Vice President – Human Resources,
Energen and all subsidiaries, 1976

Marvell "Chip" Bivins, Jr. (56)
Vice President – Audit and Compliance, 1989

Joe E. Cook (59)
Assistant Secretary,
Energen and all subsidiaries, 1980

Edwin D. "Lynn" Lovelady, II (50)
Vice President – Information Technology,
Energen and all subsidiaries, 1999

Russell E. Lynch, Jr. (40)
Vice President and Controller, 2001

Charles W. Porter, Jr. (49)
Vice President, Chief Financial Officer, and
Treasurer, Energen and all subsidiaries, 1989

Julie S. Ryland (55)
Vice President – Investor Relations, 1985

Linda M. Sewell (54)
Vice President – External Affairs,
Energen and all subsidiaries, 2012

J. David Woodruff (57)
Vice President, General Counsel, and
Secretary, Energen and all subsidiaries, 1986

Energen Resources Corporation

John S. Richardson (56)
President and Chief Operating Officer, 1985

Gary W. Brink (61)
Vice President – San Juan Basin Operations,
1997

Henry E. "Gene" Cash (60)
Vice President – Acquisitions and Reservoir
Engineering, 1996

Joe E. Cook (59)
Senior Vice President – Legal and Land, 1980

David A. Godsey (59)
Senior Vice President – Exploration and
Geology, 2012

David J. Minor (62)
Senior Vice President – Operations, 2012

Joe D. Niederhofer (54)
Vice President – Permian Basin Operations,
1986

Cynthia T. Rayburn (50)
Vice President and Controller, 1988

Davis E. Richards (58)
Vice President – Drilling and Completions,
2013

D. Paul Sparks, Jr. (51)
Senior Vice President – Resource
Development and Technology, 1989

Alabama Gas Corporation

Dudley C. Reynolds (61)
President and Chief Operating Officer, 1980

Steven R. Chapman (57)
Vice President – Support Services, 1982

Leonarda M. "Lucy" DiChiara (54)
Vice President and Controller, 1986

Robert S. "Sid" McAnnally (50)
Senior Vice President – Marketing and
Customer Service, 2009

Kenneth A. Smith (55)
Vice President – System Integrity, 1981

Amy W. Stewart (57)
Vice President – Rates and Regulations, 1985

* Year initially began service to the company

Shareholder Information

Corporate Headquarters
Energen Corporation
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Birmingham, AL 35203-2707

Investor Hotline
1-800-654-3206

Common Stock Listing
New York Stock Exchange: EGN

Annual Meeting
April 23, 2014, at 9:00 a.m. CDT
Corporate Headquarters Conference Center

Forms 10-K and 10-Q
Energen's annual and quarterly reports to the Securities and Exchange Commission are available from the Energen Investor Relations Department at Corporate Headquarters.

Investor Relations
Analysts, investment professionals, and shareholders should direct their inquiries to the Energen Investor Relations Department at Corporate Headquarters.

Vice President Investor Relations:
Julie S. Ryland
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julie.ryland@energen.com

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Michelle A. Speed
1-205-326-2634 or 1-800-654-3206
michelle.speed@energen.com

Energen on the Web
Corporate information, including news releases, may be accessed at www.energen.com.

Transfer Agent and Registrar
Computershare Shareowner Services LLC
P.O. Box 30170
College Station, TX 77842-3170

URL: www.computershare.com/investor

Dedicated Toll Free Number: 1-888-764-5603
An automated voice response system is available around the clock. Customer service representatives are available to assist shareholders Monday through Friday, 8 a.m. to 8 p.m. ET.

TDD/TTY for the Hearing Impaired:
1-800-231-5469

Direct Stock Purchase and Reinvestment Plan
Through Computershare Shareowner Services LLC, Energen offers its shareholders and first-time investors a convenient and economical method of buying and selling Energen common stock. A prospectus and application are available by calling 1-888-764-5603 or 1-800-654-3206. Outside of the U.S. and Canada, 1-201-680-6685.

Enrollment material also is available on the Web at www.computershare.com/investor

Independent Auditors
PricewaterhouseCoopers LLP
Colonial Brookwood Village
569 Brookwood Village, Suite 851
Birmingham, AL 35209

Legal Counsel
Bradley Arant Boult Cummings, LLP
One Federal Plaza
1819 Fifth Avenue North
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