

GOVERNANCE AND NOMINATIONS COMMITTEE CHARTER ENERGEN CORPORATION

1. Governance and Nominations Committee Purpose

The Governance and Nominations Committee has been established by the Board of Directors of Energen Corporation (the "Company") to assist the Board and the boards of directors of the Company's subsidiaries (the "Subsidiary Boards") with respect to the identification and selection of qualified director nominees and the development and recommendation of corporate governance principles. The Committee's authority and responsibility are not exclusive and the Board and each of the Subsidiary Boards retain, to the fullest extent permitted under applicable law, the authority to act without prior Committee action.

2. Governance and Nominations Committee Membership

The Committee shall consist of not less than three (3) members of the Board to be appointed by the Board of Directors which shall also designate the Chairman of said Committee. The members of the Committee shall meet the applicable independence and experience requirements of the New York Stock Exchange, the Securities Exchange Act of 1934 (the "Exchange Act") and the rules and regulations of the Securities and Exchange Commission (the "Commission").

3. Governance and Nominations Committee Authority and Responsibilities

3.1 Corporate Governance. The Committee shall oversee the Company's corporate governance structure including, without limitation, from time to time making such recommendations as it may deem appropriate with respect to updates of the Company's corporate governance principles, Board procedures, and Board committee functions and charters.

3.2 Nomination of Directors. On an annual basis and at such other times as it may be requested by the Board or it otherwise deems appropriate, the Committee shall make recommendations and nominations to the Board and the Subsidiary Boards with respect to the election and/or removal of members of the Board and the Subsidiary Boards. In selecting nominees the Company shall seek candidates whose qualifications, experience and independence complement those of existing Board members. The Committee will attempt to identify in advance any potential conflicts of interest that might interfere with a candidate's service on the Board or a Subsidiary Board.

3.3 Access to Company Personnel and Records. The Committee is empowered with full access to all books, records, facilities and personnel of the Company.

- 3.4 Engage Advisors.** The Committee shall have the authority to engage such board member search, legal, accounting and other advisors as it deems appropriate. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any advisors employed by the Committee. Without limiting the generality of the foregoing, the Committee shall have sole authority, without further action by the Board, to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms.
- 3.5 Reporting, Annual Committee Evaluation.** The Committee shall report regularly to the Board about the Committee's activities and shall, at least annually, assess and report to the Board on the Committee's performance and the Committee's assessment of the Board's and management's performance from a corporate governance perspective.
- 3.6 Director Compensation.** At such times as it determines appropriate or as requested by the Board, the Committee will review and make recommendations with respect to Director compensation. Such compensation is intended to be sufficient to attract and retain qualified candidates and may include a combination of cash and stock based compensation.
- 3.7 Other.** The Committee shall have such other authority and responsibilities as necessary for compliance by the Company with applicable requirements of the New York Stock Exchange, the Exchange Act and rules and regulations of the Commission.

4. Subcommittees

The Committee shall have the authority to create one or more subcommittees, consisting of one or more members of the Committee, and may delegate, in its discretion, all or a portion of its duties and responsibilities to each subcommittee (subject to applicable laws and listing standards). Any such subcommittee shall keep the Committee advised of its activities.

5. Meetings

In carrying out its duties and responsibilities, the Committee will meet at such times and with such persons as the Committee deems appropriate. Meetings of the Committee may be called by the Chief Executive Officer, the Chairman of the Committee, or any two (2) members of the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of any business by the Committee. The act of a majority of the directors serving at any meeting of the Committee at which a quorum is present shall be the act of the Committee. Any action of the Committee may be taken by written consent signed by all members of the Committee. In addition, the Chairman and members of the Committee may meet informally or by telephone.

Adopted by the Board of Directors of Energen Corporation on January 28, 2004.