



Energen Corporation




EGN NYSE

Oil / Gas Exploration / Production

Market Capitalization USD:

\$2,947.14 mm

CONCERN LEVEL: LOW

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance. 
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket. 

CEO: James T. McManus

Age: 53

CEO Since: 2007

| | 2009 | 2010 | 2011 |
|--|--------------------|--------------------|--------------------|
| Base Salary | \$630,000 | \$693,000 | \$730,000 |
| Discretionary Bonus | \$0 | \$0 | \$0 |
| Annual Cash Incentive | \$751,338 | \$576,507 | \$953,964 |
| Benefits and Perquisites | \$49,442 | \$55,328 | \$55,197 |
| TOTAL ANNUAL COMPENSATION | \$1,430,780 | \$1,324,835 | \$1,739,161 |
| Increase in Post-Retirement Benefits | \$1,813,473 | \$1,500,031 | \$1,089,822 |
| Stock Option Awards | \$1,355,175 | \$1,318,736 | \$1,919,766 |
| Stock Awards | \$0 | \$0 | \$0 |
| TOTAL COMPENSATION | \$4,599,428 | \$4,143,602 | \$4,748,749 |
| Median of Other Named Executive Officers Total Compensation | \$1,515,600 | \$1,430,594 | \$1,535,721 |
| Value Realized on Exercise of Stock Option | \$0 | \$1,273,490 | \$661,747 |
| Value Realized on Vesting of Stock | \$468,976 | \$597,184 | \$437,600 |
| TOTAL REALIZED EQUITY COMPENSATION | \$468,976 | \$1,870,674 | \$1,099,347 |

Proxy Date: 23 Mar 2012

Annual Meeting Date: 25 Apr 2012

Equity Reserves: 8.11%

Stock Option Run Rate: 0.50%

Energen Corporation

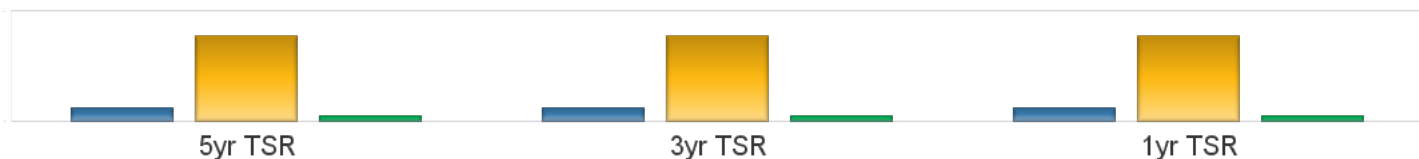
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Performance Comparison

■ vs S&P500 ■ vs Industry ■ EGN



Peer Comparisons (TRBC) =Oil / Gas Exploration / Production

Total Summary CEO Compensation

| Ticker | Company Name | 2009 | 2010 | 2011 | Market Cap |
|------------|-----------------------------------|--------------------|--------------------|--------------------|------------------------|
| EGN | Energen Corporation | \$4,599,428 | \$4,143,602 | \$4,748,749 | \$2,947,144,991 |
| CLR | Continental Resources, Inc. | \$3,998,766 | \$4,979,257 | | \$8,732,001,166 |
| PXD | Pioneer Natural Resources Company | \$7,942,438 | \$8,613,583 | | \$7,680,788,181 |
| CXO | Concho Resources Inc. | \$2,635,465 | \$11,418,752 | | \$7,374,646,573 |
| COG | Cabot Oil & Gas Corporation | \$5,551,769 | \$7,020,780 | | \$6,468,883,158 |
| NFX | Newfield Exploration Company | \$3,917,424 | \$5,166,733 | | \$5,343,020,370 |
| QEP | QEP Resources, Inc. | | \$7,870,110 | | \$4,777,621,304 |

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

The information provided by Pay Governance utilized compensation data and analysis from five reference points: (1) Custom Peer Group — 27 companies representing a mix of oil and gas, diversified companies with regulated gas operations, and pure-play gas utility companies selected to approximate Energen's current business mix; (2) Oil & Gas — 20 companies from Towers Watson's 2011 Executive Compensation data base; (3) Energy Sector — 81 companies from Mercer's 2011 Energy Sector Total Compensation Survey; (4) Utility Industry — 62 utility focused companies from Towers Watson's Energy Services data base; and (5) Broader General Industry — general industry data from the 2011 Towers Watson Executive Compensation data base.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

| Director | Membership | Age | Gender | Tenure | Independence |
|---------------------|------------|-----|--------|--------|-----------------|
| Julian W. Banton | Chairman | 71 | Male | 15 | Outside Related |
| Stephen A. Snider | Member | 65 | Male | 12 | Outside Related |
| T. Michael Goodrich | Member | 66 | Male | 12 | Outside Related |
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