

ENERGEN CORPORATON CODE OF ETHICS

For the Board of Directors, Officers, and Employees of Energen Corporation and its Affiliates

Energen Corporation and its affiliated companies have an outstanding reputation for ethical behavior and fair dealing that has been earned over many years. The efforts of its board of directors, officers, and employees have earned Energen this reputation and will help us keep this reputation.

Our reputation has been achieved through our adherence to Energen's Statement of Principles:

We will conduct our business and earn a profit based upon ethical standards and values which recognize:

- The dignity and worth of all individuals;
- Commitment to excellence in performance;
- Personal and business integrity; and
- Courage of convictions and actions.

These principles are a summary statement of the course of conduct that is expected of each member of the board of directors, each officer, and each employee of Energen and its affiliated companies.

Energen is committed to compliance with applicable laws and regulations. Energen expects its board members, officers, and employees to understand and obey all legal requirements governing the company's business. In

addition to the *Code of Ethics*, Energen also provides ongoing education concerning applicable laws and regulations.

To assist in maintenance and compliance with the *Code of Ethics*, the Board of Directors has appointed a **Corporate Compliance Officer**.

Energen supports an open door policy concerning communication about ethics compliance matters. Employees are encouraged to discuss issues and questions with their supervisor or with the Corporate Compliance Officer. In addition Energen has established a toll free telephone number for employee questions and/or reporting with respect to business conduct and ethics issues.

Non-employees are also encouraged to report ethics compliance matters to the Corporate Compliance Officer.

Energen stresses to all board members, officers, and employees that one can never be wrong in truthfully reporting conduct which may look questionable. No one will be subject to any reprimand or retaliation for making a truthful and accurate report.

Conflict of Interest Guidelines

Energen recognizes the right of its directors, officers and employees to engage in outside financial, business, or other activities as long as these activities are legal and do not impair or interfere with the performance of company duties, do not involve the misuse of Energen's

assets or reputation, and do not involve the misuse of the individual's position with Energen.

Members of the board of directors, officers, and employees should not have any position with or a substantial interest in any business that might affect their independent judgment on behalf of Energen, unless the interest is fully disclosed to and approved by Energen.

The giving or receipt of cash for the purpose of influencing a business decision is absolutely prohibited.

Members of the board of directors, officers, or employees shall not give gifts or favors to or accept them from anyone doing business with Energen under any circumstances where it could be inferred that the purpose of the gift or favor is to influence business conduct. This policy does not preclude business or seasonal gifts of nominal value.

Providing anything of value to a government official or employee of a political party or candidate for the purpose of obtaining business or favorable governmental action is prohibited. However, the lawful formation and operation of political action committees and lawful political activities and contributions by individuals on their own behalf are permissible.

Directors, officers, and employees are expected to treat as non-public and confidential information received about the financial condition or activities of Energen and its affiliates and any company Energen or an affiliate has under consideration for acquisition.

Members of Energen's board of directors, officers, and employees also are expected to comply with all securities laws and regulations.

Relationships

Sound relationships among Energen employees are a keystone to achieving and maintaining productivity and a high level of business conduct. Every employee will be treated and judged as an individual, on the basis of qualifications, without regard to race, color, religion, sex, age, national origin, veteran's status, or status as a qualified individual with a disability.

Directors, officers and employees of Energen shall endeavor to treat all customers, suppliers, competitors and other employees and representatives of Energen in a fair manner. Directors, officers and employees shall not use unfair or manipulative practices in dealing with others on behalf of Energen.

Protecting Energen Assets

Energen has many valued assets, including employees, physical property, trade secrets, confidential information, and computers, computer software and other information technology assets.

Energen assets are to be used for proper purposes during and following employment with the company. Improper use includes unauthorized personal use or taking of assets, data, resources, and software.

Members of the board of directors, officers and employees shall not appropriate for themselves, or for family members, opportunities which are

discovered through the use of Energen's property or confidential information. Energen's directors, officers and employees are prohibited from using Energen property and confidential information for their own personal gain, and such individuals are further prohibited from competing with Energen during their tenure on the board of directors or as officers or employees of Energen.

Compliance with Laws

Members of the board of directors, officers and employees shall comply with all applicable laws, rules and regulations in connection with all of their business dealings on behalf of Energen.

Responsibility in Reporting

Energen must maintain accurate business records. Board members, officers and employees are expected to be truthful and accurate in their reporting of financial and non-financial information. Misstating financial results or omitting relevant non-financial information carries serious criminal and civil fines and penalties for Energen, and could result in personal liability for board members, officers and employees.

Adherence and Enforcement

Any waiver of the *Code of Ethics* for members of the board of directors or executive officers must be approved by the board of directors and be disclosed promptly to Energen's shareholders.

This *Code of Ethics* applies to all members of the board of directors, officers and employees of Energen. Any director, officer or employee may be

subject to discipline, up to and including termination, for violation of the *Code of Ethics*.

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