

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-Q

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTER ENDED
DECEMBER 31, 1993

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD
FROM TO

Commission File Number	Registrant	State of Incorporation	IRS Employer Identification Number
1-7810	Energen Corporation	Alabama	63-0757759
2-38960	Alabama Gas Corporation	Alabama	63-0022000

2101 Sixth Avenue North
Birmingham, Alabama 35203
Telephone Number 205/326-2700

Alabama Gas Corporation, a wholly-owned subsidiary of Energen Corporation, meets the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-Q and is therefore filing this Form with reduced disclosure format pursuant to General Instruction H(2).

Indicate by a check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities and Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. YES X NO

Indicate the number of shares outstanding of each of the issuers' classes of common stock, as of February 7, 1994:

Energen Corporation, \$0.01 par value	10,916,871 shares
Alabama Gas Corporation, \$0.01 par value	1,972,052 shares

Energen Corporation and Alabama Gas Corporation
Form 10-Q for the Quarter Ended December 31, 1993

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CONSOLIDATED STATEMENTS OF INCOME Energen Corporation and Subsidiaries (Unaudited)

	Three Months Ended December 31,	
	1993	1992
	(in thousands, except per share data)	
Operating Revenues		
Natural gas distribution	\$ 78,993	\$ 76,866
Oil and gas production activities	6,201	4,905
Other	5,248	4,266
Intercompany eliminations	(2,523)	(1,929)

Total operating revenues	87,919	84,108
Operating Expenses		
Cost of gas	43,374	43,906
Operations	23,143	20,281
Maintenance	2,251	2,167
Depreciation, depletion and amortization	6,711	5,971
Taxes, other than income taxes	6,727	6,417
Total operating expenses	82,206	78,742
Operating Income	5,713	5,366
Other Income (Expense)		
Interest expense, net of amounts capitalized	(2,922)	(2,592)
Dividends on preferred stock of subsidiary	-	(21)
Other, net	196	406
Total other income (expense)	(2,726)	(2,207)
Income Before Income Taxes	2,987	3,159
Income taxes	687	489
Net Income	\$ 2,300	\$ 2,670
Earnings Per Average Common Share	\$ 0.22	\$ 0.26
Dividends Per Common Share	\$ 0.27	\$ 0.26
Average Common Shares Outstanding	10,587	10,184

The accompanying Notes are an integral part of these statements.

CONSOLIDATED BALANCE SHEETS
Energen Corporation and Subsidiaries

	December 31, 1993 (Unaudited)	September 30, 1993
	(In thousands)	
ASSETS		
Property, Plant and Equipment		
Utility plant	\$ 434,148	\$ 429,115
Less accumulated depreciation	220,047	215,892
Utility plant, net	214,101	213,223
Oil and gas properties, successful efforts method	87,743	86,077
Less accumulated depreciation, depletion and amortization	36,829	35,150
Oil and gas properties, net	50,914	50,927
Other property, net	8,658	8,947
Total property, plant and equipment, net	273,673	273,097
Current Assets		
Cash and cash equivalents	4,984	15,008
Accounts receivable, net of allowance for doubtful accounts of \$1,939 at December 31, 1993 and \$1,927 at September 30, 1993	51,771	36,181
Inventories, at average cost		
Storage gas	22,313	-
Materials and supplies	8,652	8,957
Liquified natural gas in storage	3,829	3,636
Deferred gas costs	15,677	2,966
Deferred income taxes	4,134	4,090
Prepayments and other	2,343	4,034
Total current assets	113,703	74,872
Other Assets		
Notes receivable	5,924	6,798
Deferred charges and other	12,085	15,918
Total other assets	18,009	22,716
TOTAL ASSETS	\$ 405,385	\$ 370,685

The accompanying Notes are an integral part of these statements.

CONSOLIDATED BALANCE SHEETS
Energen Corporation and Subsidiaries

	December 31, 1993 (Unaudited)	September 30, 1993
	(In thousands)	

CAPITAL AND LIABILITIES

Capitalization		
Preferred stock, cumulative, \$0.01 par value, 5,000,000 shares authorized	\$ -	\$ -
Common shareholders' equity		
Common stock, \$0.01 par value; 30,000,000 shares authorized, 10,916,412 shares outstanding at December 31, 1993 and 10,320,317 shares outstanding at September 30, 1993	109	103
Premium on capital stock	81,082	66,368
Capital surplus	2,802	2,802
Retained earnings	70,546	71,040
Total common shareholders' equity	154,539	140,313
Long-term debt	104,173	85,852
Total capitalization	258,712	226,165
Current Liabilities		
Long-term debt due within one year	4,673	5,043
Notes payable to banks	28,000	40,000
Accounts payable	38,524	27,609
Accrued taxes	12,006	9,656
Customers' deposits	17,131	16,719
Amounts due customers	6,248	5,105
Accrued wages and benefits	7,773	8,054
Other	13,775	13,232
Total current liabilities	128,130	125,418
Deferred Credits and Other Liabilities		
Deferred income taxes	864	480
Accumulated deferred investment tax credits	4,956	5,077
Other	12,723	13,545
Total deferred credits and other liabilities	18,543	19,102
Commitments and Contingencies	-	-
TOTAL CAPITAL AND LIABILITIES	\$ 405,385	\$ 370,685

The accompanying Notes are an integral part of these statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
Energen Corporation and Subsidiaries
(Unaudited)

	Three Months Ended December 31,	
	1993	1992
	(In thousands)	
Operating Activities		
Net income	\$ 2,300	\$ 2,670
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	6,711	5,971
Deferred income taxes, net	212	68
Deferred investment tax credits, net	(121)	(132)
Gain on sale of equity securities	(1,375)	-
Net change in:		
Accounts receivable	(15,590)	(16,435)
Inventories	(22,201)	1,057
Accounts payable	10,915	25,036
Other current assets and liabilities	(6,853)	(9,378)
Other, net	(98)	365
Net cash provided by (used in) operating activities	(26,100)	9,222
Investing Activities		
Additions to property, plant and equipment	(7,193)	(16,310)
Proceeds from sale of equity securities	3,305	-
Payments on notes receivable	693	419
Other, net	1,569	140
Net cash used in investing activities	(1,626)	(15,751)
Financing Activities		
Payment of dividends on common stock	(2,795)	(2,648)
Issuance of common stock	14,721	85
Reduction of long-term debt and preferred stock of subsidiary	(8,899)	(1,242)
Proceeds from issuance of medium-term notes	26,675	-
Net change in short-term debt	(12,000)	7,000
Net cash provided by financing activities	17,702	3,195
Net change in cash and cash equivalents	(10,024)	(3,334)
Cash and cash equivalents at beginning of period	15,008	10,303
Cash and cash equivalents at end of period	\$ 4,984	\$ 6,969

The accompanying Notes are an integral part of these statements.

STATEMENTS OF INCOME

Alabama Gas Corporation
(Unaudited)

Three Months Ended December 31,
1993 1992
(In thousands, except per share data)

Operating Revenues	\$ 78,993	\$ 76,866
Operating Expenses		
Cost of gas	44,610	45,289
Operations	18,248	16,259
Maintenance	2,153	2,052
Depreciation	4,427	4,262
Income taxes		
Current	361	360
Deferred, net	(32)	48
Deferred investment tax credits, net	(122)	(132)
Taxes, other than income taxes	6,403	6,175
Total operating expenses	76,048	74,313
Operating Income	2,945	2,553
Other Income		
Allowance for funds used during construction	76	17
Other, net	(208)	183
Total other income	(132)	200
Interest Charges		
Interest on long-term debt	1,419	1,523
Other interest expense	698	345
Total interest charges	2,117	1,868
Net Income	696	885
Less cash dividends on cumulative preferred stock	-	21
Net Income Available for Common	\$ 696	\$ 864

The accompanying Notes are an integral part of these statements.

BALANCE SHEETS
Alabama Gas Corporation

December 31, September 30,
1993 1993
(Unaudited)
(In thousands)

ASSETS

Property, Plant and Equipment		
Utility plant	\$ 434,148	\$ 429,115
Less accumulated depreciation	220,047	215,892
Utility plant, net	214,101	213,223
Other property, net	82	83
Current Assets		
Cash	1,921	480
Accounts receivable		
Gas	38,252	23,563
Merchandise	1,354	1,256
Other	1,006	1,011
Allowance for doubtful accounts	(1,800)	(1,800)
Inventories, at average cost		
Storage gas	22,313	-
Materials and supplies	5,767	5,851
Liquified natural gas in storage	3,829	3,636
Deferred gas costs	15,677	2,966
Deferred income taxes	2,587	2,587
Prepayments and other	2,149	2,520
Total current assets	93,055	42,070
Deferred Charges and Other Assets	8,804	9,172
TOTAL ASSETS	\$ 316,042	\$ 264,548

The accompanying Notes are an integral part of these statements.

BALANCE SHEETS
Alabama Gas Corporation

	December 31, 1993 (Unaudited)	September 30, 1993
	(In thousands)	
CAPITAL AND LIABILITIES		
Capitalization		
Common shareholder's equity		
Common stock, \$0.01 par value; 3,000,000 shares authorized, 1,972,052 shares outstanding in 1993 and 1992	\$ 20	\$ 20
Premium on capital stock	31,682	21,682
Capital surplus	2,802	2,802
Retained earnings	72,787	74,886
Total common shareholder's equity	107,291	99,390
Cumulative preferred stock, \$0.01 par value, 120,000 shares authorized, issuable in series - \$4.70 Series	-	-
Long-term debt	62,833	43,912
Total capitalization	170,124	143,302
Current Liabilities		
Long-term debt due within one year	2,823	3,193
Notes payable to banks	28,000	29,000
Accounts payable		
Other	35,366	18,772
Affiliated companies	6,925	1,252
Accrued taxes	10,869	8,960
Customers' deposits	17,129	16,717
Supplier refunds due customers	792	740
Other amounts due customers	5,456	4,365
Accrued wages and benefits	4,758	5,261
Other	5,802	4,821
Total current liabilities	117,920	93,081
Deferred Credits and Other Liabilities		
Deferred income taxes	12,512	12,416
Accumulated deferred investment tax credits	4,956	5,077
Regulatory liability	7,543	7,717
Customer advances for construction and other	2,987	2,955
Total deferred credits and other liabilities	27,998	28,165
Commitments and Contingencies	-	-
TOTAL CAPITAL AND LIABILITIES	\$ 316,042	\$ 264,548

The accompanying Notes are an integral part of these statements.

STATEMENTS OF CASH FLOWS
Alabama Gas Corporation
(Unaudited)

	Three Months Ended December 31,	
	1993	1992
	(in thousands)	
Operating Activities		
Net income	\$ 696	\$ 885
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,427	4,262
Deferred income taxes, net	(32)	48
Deferred investment tax credits	(122)	(132)
Net change in:		
Accounts receivable	(14,869)	(15,725)
Inventories	(22,422)	(118)
Accounts payable	15,342	23,472
Other current assets and liabilities	(8,398)	(10,382)
Other, net	461	161
Net cash provided by (used in) operating activities	(24,917)	2,471
Investing Activities		
Additions to property, plant and equipment	(5,214)	(3,426)
Net advances from holding company	87	-
Other, net	(21)	(37)
Net cash used in investing activities	(5,148)	(3,463)
Financing Activities		
Payment of dividends on common stock	(2,795)	(2,650)
Payment of dividends on preferred stock	-	(21)
Reduction of long-term debt and preferred stock	(8,299)	(442)
Proceeds from issuance of medium-term notes	26,675	-
Proceeds from equity infusion from parent	10,000	-
Net advances from (to) affiliates	6,925	(2,476)

Net change in short-term debt	(1,000)	7,000
Net cash provided by financing activities	31,506	1,411
Net change in cash	1,441	419
Cash at beginning of period	480	2,394
Cash at end of period	\$ 1,921	\$ 2,813

The accompanying Notes are an integral part of these statements.

Energen Corporation and Alabama Corporation
Notes to Unaudited Financial Statements

1. Basis of Presentation

All adjustments to the unaudited financial statements which are, in the opinion of management, necessary for a fair statement of the results of operations for the interim periods have been recorded. Such adjustments consisted only of normal recurring items. The consolidated financial statements and notes thereto should be read in conjunction with the financial statements and notes for the years ended September 30, 1993, 1992, and 1991 included in the 1993 Annual Report of Energen Corporation (the Company) on Form 10-K. Certain reclassifications were made to conform prior years' financial statements to the current quarter presentation. The Company's primary business is seasonal in character and influenced by weather conditions. Results of operations for the interim periods are not necessarily indicative of the results which may be expected for the fiscal year.

2. Change in Accounting Method

The Company adopted SFAS No. 106, Employers' Accounting for Postretirement Benefits Other than Pensions, with respect to the accrual of such costs for all employees under labor union agreements effective for the year beginning October 1, 1993. The Company adopted SFAS No. 106 with respect to salaried employees in a prior year. There is no cumulative effect on the income statement resulting from the adoption of SFAS No. 106 as the Company has elected to amortize transition costs over a twenty year period. The Company funds its accrued postretirement benefit liability on a quarterly basis in the month following each quarter end.

The expense for the plan covering employees under labor union agreements for the year ended September 30, 1994 is expected to be \$3,709,000. The "projected unit credit" actuarial method was used to determine the normal cost and actuarial liability.

A reconciliation of the estimated status of the obligation is as follows (in thousands):

	Three Months Ended December 31, 1993	
Accumulated postretirement benefit	\$ (26,007)	
Plan assets	10	
Unamortized amounts	25,372	
Accrued post-employment benefit liability	\$ (625)	

Net periodic postretirement benefit cost for the quarter ended

December 31, 1993 includes the following (in thousands):

	Three Months Ended December 31, 1993
Service cost	\$ 126
Interest cost on accumulated postretirement benefit obligation	480
Amortization of transition obligation	321
Amortization of actuarial gains and losses	-
Expected return on plan assets	-
Net periodic postretirement benefit expense	\$ 927

The weighted average health care cost trend rate used in determining the accumulated postretirement benefit obligation was 8.0 percent. That assumption has a significant effect on the amounts reported. To illustrate, increasing the weighted average health care cost trend rate by 1.0 percent would increase the accumulated postretirement benefit obligation by 8.7 percent and the net periodic benefit cost by 8.5 percent. The weighted average discount rate used in determining the accumulated postretirement benefit obligation was 7.5 percent. On December 6, 1993, the Alabama Public Service Commission adopted Order 4-3454, which allows the Company to recover all costs accrued under SFAS No. 106 through rates.

3. Regulatory

As a public utility in the state of Alabama, Alagasco is subject to regulation by the Alabama Public Service Commission (APSC), which has adopted several innovative approaches to rate regulation, including Alabama's Rate Stabilization and Equalization (RSE) rate-setting process. Implemented in 1983 and modified in 1985, 1987, and 1990, RSE replaces the traditional utility rate case with APSC-monitored periodic rate adjustments presently designed to give Alagasco the opportunity to earn an average return on equity (ROE) at its fiscal year-end within a specified range. Under Alagasco's current RSE order, which became effective December 1990, Alagasco's allowed ROE range is 13.15 percent to 13.65 percent. The APSC conducts quarterly reviews to determine, based on Alagasco's budget and fiscal year-to-date performance, whether Alagasco's projected ROE for the fiscal year will be within the allowed range. Reductions in rates can be made quarterly to bring the projected ROE within the allowed range. Increases, however, are permitted only once each fiscal year effective on December 1, and cannot exceed 4 percent of prior-year revenues.

RSE limits Alagasco's equity upon which a return is permitted to 60 percent of total capitalization and provides for a cost control measure designed to monitor Alagasco's operations and maintenance (O & M) expense. If increases in O & M expense per customer fall within 1.25 percent above or below the Consumer Price Index for all Urban Customers (index range), no adjustment is required. If, however, increases in O & M expense per customer exceed the index range, three-fourths of the difference is returned to customers. To the extent increases in O & M expense per customer are less than the index range, Alagasco will benefit by one-half of the difference through future rate adjustments. Effective December 15, 1990, the APSC approved a temperature adjustment to customers' monthly bills to mitigate the effect of departures from normal temperature on Alagasco's earnings. The calculation is performed monthly and adjusted on customer's bills in the actual month the weather variation occurs.

Under RSE as extended, a \$.5 million annual decrease in revenue became effective October 1, 1993, and a \$7.2 million annual increase in revenue became effective December 1, 1993.

4. Supplemental Cash Flow Information

Energen Corporation

Three months ended December 31, (in thousands)	1993	1992
Interest paid, net of amounts capitalized	\$ 3,753	\$ 4,065
Income taxes paid	\$ 158	\$ 793
Noncash investing activities (capitalized depreciation and allowance for funds used during construction)	\$ 122	\$ 62
Noncash financing activities (debt issuance costs)	\$ 175	\$ -

Alabama Gas Corporation

Three months ended December 31, (in thousands)	1993	1992
Interest paid	\$ 3,361	\$ 3,489
Income taxes paid	\$ (185)	\$ 243
Noncash investing activities (capitalized depreciation and allowance for funds used during construction)	\$ 122	\$ 62
Noncash financing activities (debt issuance costs)	\$ 175	\$ -

Item 2. Managements's Discussion and Analysis of Financial Condition and Results of Operations

Consolidated net income for the first quarter was \$2,300,000 (\$0.22 per share) compared to \$2,670,000 (\$0.26 per share) in the prior year. The slight decline in the current quarter is due primarily to a decreased contribution from the Company's exploration and production subsidiary, Taurus Exploration, Inc., (Taurus).

Taurus's, \$.4 million decrease in earnings in the current quarter was primarily attributable to the absence of coalbed methane drilling fees due to the expiration of the tax credit qualifying deadline on December 31, 1992; to decreased consulting fees; and to decreased recognition of tax credits on an interim basis. The contribution from Alabama Gas Corporation (Alagasco), the Company's natural gas utility, remained virtually the same as that of the prior year. Net income from the Company's other activities increased slightly due primarily to increased propane margins and merchandising sales.

Natural gas revenues increased three percent in the current quarter primarily due to the pass through of increased gas cost partially offset by decreased sales to core customers.

Oil and gas revenues increased 26 percent for the quarter primarily due to a 54 percent increase in oil and gas production volumes partially offset by reduced consulting fees following the conclusion of a major consulting contract. The average sales price of gas this quarter was \$2.02 per Mcf compared with \$1.92 per Mcf in the prior year. The average sales price of oil this quarter was \$14.94 per barrel compared with \$18.40 per barrel in the prior year. Taurus's sales contracts are largely tied to the spot market and are sensitive to price fluctuations inherent therein. To hedge its exposure to such price fluctuations on oil and gas production, Taurus periodically enters into futures contracts. Under this program, Taurus has entered into futures contracts for the sale of 5.3 Bcf of its gas production with an average contract price of \$1.95, and for the sale of 36,000 barrels of its oil production at an average contract price of \$20.30 over the remainder of this fiscal year. Taurus plans to extend its hedging program into fiscal 1995.

Other revenues for the quarter were higher by \$1 million due to increased merchandise sales.

The cost of gas remained virtually unchanged. Increases due to purchased volumes were offset by an overall decrease in the unit cost of purchased gas.

Operations and maintenance expense increased 13 percent in the first quarter primarily due to increased labor and related expenses at Alagasco and decreased drilling fees and overhead reimbursements at Taurus.

Depreciation expense increased 12 percent in the current quarter due primarily to increased oil and gas production at Taurus and normal plant growth at Alagasco.

The Company's expense for taxes other than income taxes primarily reflects various state and local business taxes paid by Alagasco as well as various payroll-related taxes. The state and local business taxes are generally based on gross receipts of Alagasco and fluctuate accordingly.

Alagasco's higher average short-term debt outstanding (associated with the current year purchase of storage gas inventory) together with the effect of the \$15.0 million unsecured notes issued in the third quarter of the prior fiscal year combined to create a 13 percent increase in interest expense in the current quarter.

Other income decreased in the current quarter primarily due to redemption fees incurred related to the current year refinancing.

Income tax expense for the quarter increased over the prior year due to decreased recognition of nonconventional fuel tax credits on an interim basis. The Company anticipates effective tax rates to remain lower than statutory rates through the year 2002 as it expects to recognize all tax credits generated for financial statement purposes.

As previously discussed, the Company's business is seasonal in character and influenced by weather conditions. Results of operations for the interim periods are not necessarily indicative of the results that may be expected for the fiscal year.

Liquidity and Capital Resources

Net cash provided by operating activities decreased \$35.3 million in the current year and is due largely to the purchase of storage gas by Alagasco during the current year in connection with the implementation of Order 636. Fluctuations in accounts receivable and payable are generally the result of timing of payments.

Net cash provided by investing activities increased \$14.1 million over the prior year. The most significant factor contributing to the increase was the current year reduction in capital expenditures. Capital expenditures for the prior year included the Company's investment of approximately \$13.0 million in conventional producing properties following the 1992 sale of nonconventional properties. Also contributing to the increase were proceeds of \$3.3 million resulting from the sale of equity securities.

The increase in net cash provided by financing activities of \$14.5 million is attributable to several occurrences in the first quarter of the current year. The issuance of 550,000 shares of Energen common stock in November of 1993 resulted in proceeds of approximately \$13.5 million which were used primarily to help fund the purchase of storage gas. Alagasco also issued \$26.8 million of medium-term notes which offered investors a combination

of interest rates and investment periods ranging from 5.6 percent to 7.2 percent for notes redeemable December 1, 1998, to December 15, 2023. Alagasco used proceeds from these notes to fund the balance of the storage investment, redeem its 8.75 percent debentures, reduce its short-term debt outstanding and to fund additional capital needs. Subsequent to December 31, 1993, Alagasco has issued an additional \$23.2 million in medium-term notes with interest rates ranging from 5.4 percent to 7.2 percent and maturities of January 15, 1999 to January 13, 2014. Net proceeds will be used primarily to repay short-term debt.

Energen has short-term credit facilities totaling \$110 million available for working capital needs, with \$28 million and \$27 million outstanding at December 31, 1993 and 1992, respectively.

CAPITAL EXPENDITURES: Capital and exploration expenditures could approximate \$52 million in 1994, excluding municipal gas system acquisitions, and primarily will be used to fund normal distribution system expansion and the development of a new customer information system at Alagasco, and oil and gas development activities. The Company anticipates funding these capital expenditures through internally generated capital and the utilization of short-term credit facilities. In addition to the capital expenditures, the Company will maintain an investment in storage working gas which is anticipated to average \$26.0 million.

Energen Corporation
Selected Business Segment Data

	Three Months Ended December 31,	
	1993	1992
Natural Gas Distribution		
Operating revenues (in thousands)		
Residential	\$ 51,598	\$ 50,437
Commercial and industrial - small	19,112	19,303
Commercial and industrial - large	23	276
Transportation	7,808	7,278
Other	452	(428)
Total	\$ 78,993	\$ 76,866
Volumes sold and transported (thousands of Mcf)		
Residential	6,932	7,271
Commercial and industrial - small	3,073	3,309
Commercial and industrial - large	5	78
Transportation	13,168	12,986
Total	23,178	23,644
Other data (in thousands)		
Depreciation and amortization	\$ 4,427	\$ 4,262
Capital expenditures	\$ 5,336	\$ 3,487
Operating income	\$ 3,152	\$ 2,829
Oil and Gas Exploration and Production		
Operating revenues (in thousands)		
Natural gas	\$ 4,019	\$ 2,377
Oil	812	791
Other	1,370	1,737
Total	\$ 6,201	\$ 4,905
Sales volume - natural gas (thousands of Mcf)	1,991	1,241
Sales volume - oil (thousands of barrels)	54	43
Average sales price - natural gas (per Mcf)	\$ 2.02	\$ 1.92
Average sales price - oil (per barrel)	\$ 14.94	\$ 18.40
Other data (in thousands)		
Depreciation, depletion and amortization	\$ 1,955	\$ 1,428
Capital expenditures	\$ 1,833	\$ 12,803
Exploration expenditures	\$ 55	\$ 96
Operating income (loss)	\$ 2,098	\$ 2,308
Other Businesses (in thousands)		
Operating revenues	\$ 5,248	\$ 4,266
Depreciation and amortization	\$ 329	\$ 281
Capital expenditures	\$ 146	\$ 82
Operating income	\$ 774	\$ 542
Eliminations and Corporate Expenses (in thousands)		
Operating loss	\$ (311)	\$ (313)

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

* 4 Indenture dated as of November 1, 1993, between Alabama Gas Corporation and Nations Bank of Georgia, National Association, Trustee, which was filed as Exhibit 4(k) to Alabama Gas' Amendment #1 to Registration Statement on Form S-3 (Registration No. 33-70466).

* Incorporated by Reference

(b) Reports on Form 8-K

No reports on Form 8-K were filed for the three months ended December 31, 1993.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ENERGEN CORPORATION
ALABAMA GAS CORPORATION

February 14, 1994
Date

By /s/ Rex J. Lysinger
Rex J. Lysinger
Chairman of the Board and Chief
Executive Officer

February 14, 1994
Date

By /s/ G. C. Ketcham
G. C. Ketcham
Executive Vice President, Chief
Financial Officer and Treasurer

February 14, 1994
Date

By /s/ J. T. McManus
J. T. McManus
Vice President-Finance and
Corporate Development of Energen
and Vice President-Finance
and Planning of Alagasco