

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 FOR THE QUARTER ENDED DECEMBER 31, 1994

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 6, 1994:

Energen Corporation, \$0.01 par value	10,911,377 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, 1994

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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, (in thousands, except share data)	1994	1993
OPERATING REVENUES		
Natural gas distribution	\$67,226	\$78,993
Oil and gas production activities	5,931	6,201
Other	2,416	5,248
Intercompany eliminations	(2,089)	(2,523)
Total operating revenues	73,484	87,919
OPERATING EXPENSES		
Cost of gas	31,050	43,374
Operations	22,127	23,143
Maintenance	2,264	2,251
Depreciation, depletion and amortization	6,966	6,711
Taxes, other than income taxes	5,641	6,727
Total operating expenses	68,048	82,206
OPERATING INCOME	5,436	5,713
OTHER INCOME (EXPENSE)		
Interest expense, net of amounts capitalized	(2,775)	(2,922)
Other, net	724	196
Total other income (expense)	(2,051)	(2,726)
INCOME BEFORE INCOME TAXES	3,385	2,987
Income taxes	649	687
NET INCOME	\$ 2,736	\$2,300
EARNINGS PER AVERAGE COMMON SHARE	\$ 0.25	\$ 0.22
DIVIDENDS PER COMMON SHARE	\$ 0.28	\$ 0.27
AVERAGE COMMON SHARES OUTSTANDING	10,920	10,587

The accompanying Notes are an integral part of these statements.

CONSOLIDATED BALANCE SHEETS
Energen Corporation and Subsidiaries

(Unaudited)

(in thousands)	December 31, 1994	September 30, 1994
ASSETS		
PROPERTY, PLANT AND EQUIPMENT		
Utility plant	\$ 473,887	\$ 464,593
Less accumulated depreciation	235,579	231,327
Utility plant, net	238,308	233,266
Oil and gas properties, successful efforts method	95,239	92,355
Less accumulated depreciation, depletion and amortization	44,944	43,052
Oil and gas properties, net	50,295	49,303
Other property, net	4,395	4,613
Total property, plant and equipment, net	292,998	287,182
CURRENT ASSETS		
Cash and cash equivalents	2,527	27,526
Accounts receivable, net of allowance for doubtful accounts of \$2,037 at December 31, 1994 and September 30, 1994	45,078	34,145
Inventories, at average cost		
Storage gas	24,364	24,363
Materials and supplies	7,824	7,589
Liquified natural gas in storage	3,902	3,349
Deferred gas costs	8,905	1,460
Deferred income taxes	7,600	7,542
Prepayments and other	2,699	3,117
Total current assets	102,899	109,091
OTHER ASSETS		
Notes receivable	3,683	3,911
Deferred charges and other	10,999	11,130
Total other assets	14,682	15,041
TOTAL ASSETS	\$ 410,579	\$411,314
The accompanying Notes are an integral part of these statements.		

CONSOLIDATED BALANCE SHEETS
Energen Corporation and Subsidiaries
(Unaudited)

(in thousands)	December 31, 1994	September 30, 1994
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, 10,917,577 shares outstanding at December 31, 1994 and 10,917,904 shares outstanding at September 30, 1994	109	109
Premium on capital stock	81,134	81,073
Capital surplus	2,802	2,802
Retained earnings	82,720	83,042
Treasury stock at cost, 2,400 shares	(49)	-
Total common shareholders' equity	166,716	167,026
Long-term debt	118,210	118,302
Total capitalization	284,926	285,328
CURRENT LIABILITIES		
Long-term debt due within one year	3,793	10,123
Notes payable to banks	2,000	6,000
Accounts payable	35,186	27,480
Accrued taxes	13,034	13,083
Customers' deposits	17,807	17,462

Amounts due customers	13,211	11,734
Accrued wages and benefits	10,422	9,662
Other	15,081	15,129
Total current liabilities	110,534	110,673
DEFERRED CREDITS AND OTHER LIABILITIES		
Deferred income taxes	1,827	1,706
Accumulated deferred investment tax credits	4,469	4,590
Other	8,823	9,017
Total deferred credits and other liabilities	15,119	15,313
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITAL AND LIABILITIES	\$ 410,579	\$411,314

The accompanying Notes are an integral part of these statements.

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

Three months ended December 31, (in thousands)	1994	1993
OPERATING ACTIVITIES		
Net Income	\$ 2,736	\$ 2,300
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	6,966	6,711
Deferred income taxes, net	(103)	212
Deferred investment tax credits, net	(121)	(121)
Gain on sale of equity securities	-	(1,375)
Net change in:		
Accounts receivable	(10,933)	(15,590)
Inventories	(789)	(22,201)
Accounts payable	7,706	10,915
Other current assets and liabilities	(4,542)	(6,853)
Other, net	(125)	(98)
Net cash provided by (used in) operating activities	795	(26,100)
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(12,558)	(7,193)
Proceeds from sale of equity securities	-	3,305
Payments on notes receivable	228	693
Other, net	4	1,569
Net cash used in investing activities	(12,326)	(1,626)
FINANCING ACTIVITIES		
Payment of dividends on common stock	(3,058)	(2,795)
Issuance of common stock	61	14,721
Purchase of treasury stock	(49)	-
Reduction of long-term debt and preferred stock of subsidiary	(6,422)	(8,899)
Proceeds from issuance of medium-term notes	-	26,675
Net change in short-term debt	(4,000)	(12,000)
Net cash provided by (used in) financing activities	(13,468)	17,702
Net change in cash and cash equivalents	(24,999)	(10,024)
Cash and cash equivalents at beginning of period	27,526	15,008
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 2,527	\$ 4,984

The accompanying Notes are an integral part of these statements.

STATEMENTS OF INCOME
Alabama Gas Corporation
(Unaudited)

Three months ended December 31, (in thousands)	1994	1993
OPERATING REVENUES		
	\$67,226	\$78,993
OPERATING EXPENSES		
Cost of gas	31,994	44,610
Operations	18,357	18,248

Maintenance	2,228	2,153
Depreciation	4,737	4,427
Income taxes		
Current	1,062	361
Deferred, net	(118)	(32)
Deferred investment tax credits, net	(122)	(122)
Taxes, other than income taxes	5,392	6,403
Total operating expenses	63,530	76,048
OPERATING INCOME	3,696	2,945
OTHER INCOME		
Allowance for funds used during construction	186	76
Other, net	158	(208)
Total other income	344	(132)
INTEREST CHARGES		
Interest on long-term debt	1,757	1,419
Other interest expense	532	698
Total interest charges	2,289	2,117
NET INCOME AVAILABLE FOR COMMON	\$ 1,751	\$ 696

The accompanying Notes are an integral part of these statements.

BALANCE SHEETS
Alabama Gas Corporation
(Unaudited)

(in thousands)	December 31, 1994	September 30, 1994
ASSETS		
PROPERTY, PLANT AND EQUIPMENT		
Utility plant	\$ 473,887	\$ 464,593
Less accumulated depreciation	235,579	231,327
Utility plant, net	238,308	233,266
Other property, net	180	183
CURRENT ASSETS		
Cash and cash equivalents	1,391	156
Accounts receivable		
Gas	31,257	22,209
Merchandise	1,485	1,326
Other	1,654	1,512
Allowance for doubtful accounts	(2,000)	(2,000)
Inventories, at average cost		
Storage gas	24,364	24,363
Materials and supplies	5,550	5,688
Liquified natural gas in storage	3,902	3,349
Deferred gas costs	8,905	1,460
Deferred income taxes	5,770	5,724
Prepayments and other	2,196	2,595
Total current assets	84,474	66,382
DEFERRED CHARGES AND OTHER ASSETS	9,054	9,074
TOTAL ASSETS	\$332,016	\$308,905

The accompanying Notes are an integral part of these statements.

BALANCE SHEETS
Alabama Gas Corporation

(Unaudited)

CAPTION>

(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 at December 31, 1994 and
September 30, 1994

	December 31, 1994	September 30, 1994
Common stock, \$0.01 par value; 3,000,000 shares authorized, 1,972,052 shares outstanding at December 31, 1994 and September 30, 1994	\$ 20	\$ 20
Premium on capital stock	31,682	31,682
Capital surplus	2,802	2,802
Retained earnings	79,778	81,087
Total common shareholder's equity	114,282	115,591
Cumulative preferred stock, \$0.01 par value, 120,000 shares authorized, issuable in series-\$4.70 Series	-	-
Long-term debt	84,359	84,391
Total capitalization	198,641	199,982

CURRENT LIABILITIES

Long-term debt due within one year	2,793	2,823
Notes payable to banks	2,000	4,000
Accounts payable		
Other	28,239	19,002
Affiliated companies	17,581	132
Accrued taxes	12,952	14,241
Customers' deposits	17,807	17,462
Supplier refunds due customers	-	832
Other amounts due customers	13,211	10,902
Accrued wages and benefits	6,075	5,659
Other	6,673	7,605
Total current liabilities	107,331	82,658

DEFERRED CREDITS AND OTHER LIABILITIES

Deferred income taxes	13,798	13,704
Accumulated deferred investment tax credits	4,469	4,590
Regulatory liability	6,746	6,960
Customer advances for construction and other	1,031	1,011
Total deferred credits and other liabilities	26,044	26,265

COMMITMENTS AND CONTINGENCIES

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TOTAL CAPITAL AND LIABILITIES

	\$332,016	\$308,905
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The accompanying Notes are an integral part of these statements.

STATEMENTS OF CASH FLOW

Alabama Gas Corporation

(Unaudited)

Three months ended December 31, (in thousands)

OPERATING ACTIVITIES

	1994	1993
Net Income	\$ 1,751	\$ 696
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,737	4,427
Deferred income taxes, net	(118)	(32)
Deferred investment tax credits	(122)	(122)
Net change in:		
Accounts receivable	(9,349)	(14,869)
Inventories	(416)	(22,422)
Accounts payable	9,340	15,342
Other current assets and liabilities	(7,029)	(8,398)
Other, net	(175)	461
Net cash used in operating activities	(1,381)	(24,917)

INVESTING ACTIVITIES

Additions to property, plant and equipment	(9,551)	(5,214)
Net advances to holding company	-	87
Other, net	(57)	(21)
Net cash used in investing activities	(9,608)	(5,148)

FINANCING ACTIVITIES

Payment of dividends on common stock	(3,060)	(2,795)
Reduction of long-term debt	(62)	(8,299)
Proceeds from issuance of medium-term notes	-	26,675
Proceeds from equity infusion from parent	-	10,000
Net advances from affiliates	17,346	6,925
Net change in short-term debt	(2,000)	(1,000)

Net cash provided by financing activities	12,224	31,506
Net change in cash and cash equivalents	1,235	1,441
Cash and cash equivalents at beginning of period	156	480
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 1,391	\$1,921

The accompanying Notes are an integral part of these statements.

NOTES TO UNAUDITED FINANCIAL STATEMENTS
Energen Corporation and Alabama Gas Corporation

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, 1994, 1993, and 1992 included in the 1994 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. REGULATORY

As an Alabama utility, Alagasco is subject to regulation by the APSC which, in 1983, established the Rate Stabilization and Equalization (RSE) rate-setting process. RSE was extended for the third time on December 3, 1990, for a three-year period. Under the terms of that extension, RSE shall continue after November 30, 1993, unless, after notice to the Company, the Commission votes to either modify or discontinue its operation. On October 4, 1993, the Commission unanimously voted to extend RSE until such time as certain hearings mandated by the Energy Policy Act of 1992 (Energy Act) in connection with integrated resource planning management programs are completed. The Energy Act proceedings are expected to conclude during fiscal 1995 at which time it is expected that the Commission will begin reviewing Alagasco's RSE. No time table for review has yet been established.

Under RSE as extended, the APSC conducts quarterly reviews to determine, based on Alagasco's projections and fiscal year-to-date performance, whether Alagasco's return on equity for the fiscal year will be within the allowed range of 13.15 percent to 13.65 percent. Reductions in rates can be made quarterly to bring the projected return within the allowed range; increases, however, are allowed only once each fiscal year, effective December 1, and cannot exceed 4 percent of prior-year revenues. RSE limits the utility's equity upon which a return is permitted to 60 percent of total capitalization and provides for certain cost control measures designed to monitor the Company's operations and maintenance (O&M) expense. If O&M expense per customer falls within 1.25 percentage points above or below the Consumer Price Index For All Urban Customers (index range), no adjustment is required. If, however, O&M expense per customer exceeds the index range, three-quarters of the difference will be returned to the customers. To the extent O&M expense per customer is less than the index range, the utility 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 remove the effect of departures from normal temperature on Alagasco's earnings. The calculation is performed monthly, and the adjustment to customers' bills is made in the same month the weather variation occurs. Under RSE as extended, a \$1.1 million decrease in revenue became effective October 1, 1994, and a \$5.2 million annual increase in revenue became effective December 1, 1994.

The Company's rate schedules for natural gas distribution charges contained a Gas Supply Adjustment rider which permits the pass-through of changes in gas costs to customers and gas supply realignment surcharges imposed by the Company's suppliers resulting from changes in gas supply purchases related to the implementation of FERC Order 636.

In accordance with APSC-directed regulatory accounting procedures, Alagasco in 1989 began returning excess utility deferred taxes which resulted from a reduction in the federal statutory tax rate from 46 percent to 34 percent using the average rate assumption method. This method provides for the return to ratepayers of excess deferred taxes over the lives of the related assets. In 1993 those excess taxes were reduced as a result of a federal tax rate increase from 34 percent to 35 percent. Approximately \$3.1 million of remaining excess utility deferred taxes is being returned to ratepayers over approximately 16 years.

3. SUPPLEMENTAL CASH FLOW INFORMATION

ENERGEN CORPORATION

Three months ended December 31, (in thousands)	1994	1993
Interest paid, net of amounts capitalized	\$ 4,627	\$ 3,753
Income taxes paid	\$ (51)	\$ 158
Noncash investing activities (capitalized depreciation and allowance for funds used during construction)	\$ 227	\$ 122
Noncash financing activities (debt issuance costs)	\$ -	\$ 175

ALABAMA GAS CORPORATION

Three months ended December 31, (in thousands)	1994	1993
Interest paid	\$ 4,305	\$ 3,361
Income taxes paid	\$ 1,712	\$ (185)
Noncash investing activities (capitalized depreciation and allowance for funds used during construction)	\$ 227	\$ 122
Noncash financing activities (debt issuance costs)	\$ -	\$ 175

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Consolidated net income for the first quarter was \$2,736,000 (\$0.25 per share) compared to \$2,300,000 (\$0.22 per share) in the prior year. The increase is due primarily to Alagasco earning its allowed return for the full three months on an increased level of equity resulting from last year's underground working storage gas investment. Partially offsetting this increase were Taurus's decreased contribution to consolidated earnings associated largely with lower natural gas prices and increased exploration expense, and the absence of contribution from W & J Propane that was sold during the third quarter of the prior year.

Two factors created the majority of the 15 percent decrease in utility natural gas revenues for the quarter. The benefit of lower commodity cost of gas was passed through to customers in reduced rates. Additionally, warmer than normal weather resulted in an approximate 1.6 Bcf reduction in gas sales volumes to residential customers; partially offsetting that impact on revenues was the recovery of margins associated with departures from normal weather allowed under the APSC-approved weather normalization adjustment.

A significant decrease in natural gas prices heavily influenced both operating fees and natural gas production revenues at Taurus. Operating fees on certain coalbed methane properties are impacted by a variety of factors including production volume, operating expenses and the price of

natural gas, as defined by the operating agreements. The decrease in the current quarter's operating fees is attributable almost exclusively to a 27 percent decrease in the average index price of natural gas. With respect to gas production revenues, after giving effect to hedged volumes, the average sales price per Mcf was \$1.81 compared to \$2.02 in the prior year - a 10 percent decrease. Largely offsetting the price effect on those revenues was a 10 percent increase in production volumes. Oil production revenues were stable over the prior year as an increase in the average sales price per barrel (\$15.84 for the current year compared to \$15.04 in the prior year) was offset by slightly lower production volumes.

To hedge its exposure to price fluctuations on oil and gas production, Taurus periodically enters into futures contracts. Under this program, Taurus has entered into contracts for the sale of 3.3 Bcf of its gas production with an average contract price of \$1.95, and for the sale of 96,000 barrels of its oil production at an average contract price of \$18.41 over the remainder of this fiscal year. While more than 50 percent of estimated gas production and over 90 percent of estimated oil production are hedged, 1995 earnings could decrease compared to 1994 due to the price risk associated with both unhedged production volumes and operating fees. The program has been extended into fiscal 1996 for the sale of 0.5 Bcf of gas production with an average contract price of \$1.72.

Other revenues for the quarter were significantly lower than those of the prior year due primarily to the absence of revenues from W & J Propane. Excluding the effect of propane revenues, other revenues would have decreased slightly as a result of lower merchandise sales.

As with natural gas revenues, decreased commodity cost coupled with decreased sales volumes associated with warmer weather created a majority of the \$12.3 million decrease in cost of gas for the quarter.

Consolidated operations and maintenance (O&M) expense decreased 4 percent in the quarter due to the impact of the sale of propane operations in the prior year. Excluding the effect of propane operations, O&M expense would have increased 4 percent primarily due to increased labor and related expenses at Alagasco and increased exploration expense at Taurus .

Depreciation expense for the quarter increased only slightly as the effects of normal plant growth at Alagasco and increased conventional production at Taurus were largely offset by the absence of depreciation on propane assets in the current year.

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. State and local business taxes are generally based on gross receipts of Alagasco and fluctuate accordingly.

A significant reduction in short-term debt outstanding and the early repayment of certain long-term notes more than offset the effect of medium-term notes issued in December and January of the prior fiscal year resulting in a 5 percent decrease in interest expense.

Other income was greater for the quarter largely due to the inclusion of redemption fees in the prior year related to the Company's refinancing of a significant portion of its long-term debt.

Income tax expense for the quarter did not vary significantly as the effect of higher pretax net income was essentially offset by increased 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 year. As more fully discussed in Note 2, Alagasco is subject to regulation by the APSC, which is expected to consider renewal of the utility's rate-setting mechanism following the completion of its review of certain mandates under the Energy Policy Act of 1992. Changes, if any, to the utility's present rate-setting assumptions or provisions could have an impact on its net income for 1995 and beyond.

LIQUIDITY AND CAPITAL RESOURCES

The item primarily responsible for the significant change in cash provided by (used in) operations was the prior year investment in underground storage working gas that totaled \$22.3 million at December 31, 1993. Fluctuations in receivables and payables are generally the result of timing of payments.

Net cash used in investing activities was primarily influenced by two factors. First, capital expenditures exceeded those of the prior year - Alagasco's due to the acquisition of the 2,200-customer gas system of Alabaster and Taurus's due to the planned expansion of its oil and gas development activities. Second, the inclusion in the prior year of proceeds related to the sale of equity securities served to reduce that quarter's cash used in investing activities.

The change in net cash provided by (used in) financing activities is attributable to several occurrences in the first quarter of the prior year. The issuance of 550,000 shares of Energen common stock in November 1993 generated \$13.5 million, and Alagasco issued \$26.8 million in medium-term notes in December 1993. These proceeds were used to fund the investment in underground working storage gas, redeem its 8.75 percent debentures, reduce short-term debt outstanding, and to fund additional capital needs. Also during this quarter, 2,400 shares of Energen common stock were repurchased under the Company's stock repurchase program.

FUTURE CAPITAL EXPENDITURES AND LIQUIDITY: Capital and exploration expenditures could approximate \$66 million in fiscal 1995, excluding municipal gas system acquisitions, and primarily represent additions for normal distribution system expansion, the development of a new customer information system at Alagasco, and oil and gas development activities. With respect to oil and gas activities, the Company is attempting to invest a significant portion of its capital expenditures in proven property acquisitions. However, the market for acquisitions has been limited and the economics of current pricing has delayed exploration opportunities; therefore, capital expenditures may not reach targeted levels. In addition, Alagasco will maintain an investment in storage working gas which is anticipated to average \$19 million for the fiscal year. The Company anticipates funding these capital requirements through internally generated capital and the utilization of short-term credit facilities. Energen has short-term credit facilities totaling \$110 million available for working capital needs, with \$2 million and \$28 million outstanding at December 31, 1994 and 1993, respectively.

SELECTED BUSINESS SEGMENT DATA

Energen Corporation

Three months ended December 31, (in thousands, except share data) 1994 1993

NATURAL GAS DISTRIBUTION

Operating revenues

Residential	\$44,350	\$51,598
Commercial and industrial - small	15,545	19,112
Commercial and industrial - large	31	23
Transportation	7,566	7,808
Other	(266)	452
Total	\$67,226	\$78,993

Volumes sold and transported (thousands of Mcf)		
Residential	5,287	6,932
Commercial and industrial - small	2,466	3,073
Commercial and industrial - large	8	5
Transportation	14,290	13,168
Total	22,051	23,178

Other data		
Depreciation and amortization	\$ 4,737	\$ 4,427
Capital expenditures	\$ 9,778	\$ 5,336
Operating income	\$ 4,518	\$ 3,152

OIL AND GAS EXPLORATION AND PRODUCTION

Operating revenues		
Natural gas	\$ 3,948	\$ 4,019
Oil	792	812
Other	1,191	1,370
Total	\$ 5,931	\$ 6,201

Sales volume - natural gas (thousands of Mcf)	2,181	1,991
Sales volume - oil (thousands of barrels)	50	54
Average sales price - natural gas (per Mcf)	\$ 1.81	\$ 2.02
Average sales price - oil (per barrel)	\$ 15.84	\$ 15.04
Other data		
Depreciation, depletion and amortization	\$ 2,118	\$ 1,955
Capital expenditures	\$ 3,007	\$ 1,833
Exploration expenditures	\$ 429	\$ 55
Operating income (loss)	\$ 1,154	\$ 2,098

OTHER BUSINESS

Operating revenues	\$ 2,416	\$ 5,248
Depreciation and amortization	\$ 111	\$ 329
Capital expenditures	\$ -	\$ 146
Operating income	\$ 204	\$ 774

ELIMINATIONS AND CORPORATE EXPENSES

Operating loss	\$ (440)	\$ (311)
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PART II.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a. Exhibits

27.1 Financial Data Schedule of Energen Corporation (for SEC purposes only)

27.2 Financial Data Schedule of Alabama Gas Corporation (for SEC purposes only)

b. Reports on Form 8-K

No reports on Form 8-K were filed for the three months ended December 31, 1994.

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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, 1995

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

February 14, 1995

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

February 14, 1995

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

<ARTICLE> UT

<LEGEND>

27.1

This schedule contains summary financial information extracted from the Form 10Q for December 31, 1994, and is qualified in its entirety by reference to such financial statements.

</LEGEND>

<CIK> 0000277595

<NAME> ENERGEN CORPORATION

<MULTIPLIER> 1,000

<PERIOD-TYPE>

3-MOS

<FISCAL-YEAR-END>

SEP-30-1995

<PERIOD-START>

OCT-01-1994

<PERIOD-END>

DEC-31-1994

<BOOK-VALUE>

PER-BOOK

<TOTAL-NET-UTILITY-PLANT>

238,308

<OTHER-PROPERTY-AND-INVEST>

54,690

<TOTAL-CURRENT-ASSETS>

102,899

<TOTAL-DEFERRED-CHARGES>

10,999

<OTHER-ASSETS>

3,683

<TOTAL-ASSETS>

410,579

<COMMON>

109

<CAPITAL-SURPLUS-PAID-IN>

83,887

<RETAINED-EARNINGS>

82,720

<TOTAL-COMMON-STOCKHOLDERS-EQ>

166,716

<PREFERRED-MANDATORY>

0

<PREFERRED>

0

<LONG-TERM-DEBT-NET>

118,210

<SHORT-TERM-NOTES>

2,000

<LONG-TERM-NOTES-PAYABLE>

0

<COMMERCIAL-PAPER-OBLIGATIONS>

0

<LONG-TERM-DEBT-CURRENT-PORT>

3,793

<PREFERRED-STOCK-CURRENT>

0

<CAPITAL-LEASE-OBLIGATIONS>

0

<LEASES-CURRENT>

0

<OTHER-ITEMS-CAPITAL-AND-LIAB>

119,860

<TOT-CAPITALIZATION-AND-LIAB>

410,579

<GROSS-OPERATING-REVENUE>

73,484

<INCOME-TAX-EXPENSE>

649

<OTHER-OPERATING-EXPENSES>

68,048

<TOTAL-OPERATING-EXPENSES>

68,697

<OPERATING-INCOME-LOSS>

4,787

<OTHER-INCOME-NET>

724

<INCOME-BEFORE-INTEREST-EXPEN>

5,511

<TOTAL-INTEREST-EXPENSE>

2,775

<NET-INCOME>

2,736

<PREFERRED-STOCK-DIVIDENDS>

0

<EARNINGS-AVAILABLE-FOR-COMM>

2,736

<COMMON-STOCK-DIVIDENDS>

3,058

<TOTAL-INTEREST-ON-BONDS>

2,399

<CASH-FLOW-OPERATIONS>

795

<EPS-PRIMARY>

.25

<EPS-DILUTED>

.25

<ARTICLE> UT

<LEGEND>

EXHIBIT 27.2

This schedule contains summary financial information extracted from the Form 10Q for December 31, 1994, and is qualified in its entirety by reference to such financial statements.

</LEGEND>

<CIK> 0000003146

<NAME> ALABAMA GAS CORPORATION

<MULTIPLIER> 1,000

<PERIOD-TYPE>

3-MOS

<FISCAL-YEAR-END>

SEP-30-1995

<PERIOD-START>

OCT-01-1994

<PERIOD-END>

DEC-31-1994

<BOOK-VALUE>

PER-BOOK

<TOTAL-NET-UTILITY-PLANT>

238,308

<OTHER-PROPERTY-AND-INVEST>

180

<TOTAL-CURRENT-ASSETS>

84,474

<TOTAL-DEFERRED-CHARGES>

9,054

<OTHER-ASSETS>

0

<TOTAL-ASSETS>

332,016

<COMMON>

20

<CAPITAL-SURPLUS-PAID-IN>

34,484

<RETAINED-EARNINGS>

79,778

<TOTAL-COMMON-STOCKHOLDERS-EQ>

114,282

<PREFERRED-MANDATORY>

0

<PREFERRED>

0

<LONG-TERM-DEBT-NET>

84,359

<SHORT-TERM-NOTES>

0

<LONG-TERM-NOTES-PAYABLE>

2,000

<COMMERCIAL-PAPER-OBLIGATIONS>

0

<LONG-TERM-DEBT-CURRENT-PORT>

2,793

<PREFERRED-STOCK-CURRENT>

0

<CAPITAL-LEASE-OBLIGATIONS>

0

<LEASES-CURRENT>

0

<OTHER-ITEMS-CAPITAL-AND-LIAB>

128,582

<TOT-CAPITALIZATION-AND-LIAB>

332,016

<GROSS-OPERATING-REVENUE>

67,226

<INCOME-TAX-EXPENSE>

822

<OTHER-OPERATING-EXPENSES>

62,708

<TOTAL-OPERATING-EXPENSES>

63,530

<OPERATING-INCOME-LOSS>

3,696

<OTHER-INCOME-NET>

344

<INCOME-BEFORE-INTEREST-EXPEN>

4,040

<TOTAL-INTEREST-EXPENSE>

2,289

<NET-INCOME>

1,751

<PREFERRED-STOCK-DIVIDENDS>

0

<EARNINGS-AVAILABLE-FOR-COMM>

1,751

<COMMON-STOCK-DIVIDENDS>

3,060

<TOTAL-INTEREST-ON-BONDS>

1,707

<CASH-FLOW-OPERATIONS>

(1,381)

<EPS-PRIMARY>

0<F1>

<EPS-DILUTED>

0<F1>

<FN>

<F1>Earnings per share is calculated for Energen Corporation (parent company of Alagasco) and is not calculated for Alagasco separately as amount would not be meaningful.

</FN>

