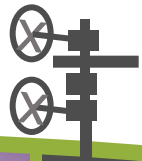




Pritchard Capital Partners – Energize 2012 Conference

January 4, 2012



NYSE: DNR

About Forward Looking Statements



The data contained in this presentation that are not historical facts are forward-looking statements that involve a number of risks and uncertainties. Such statements may relate to, among other things, forecasted capital expenditures, dates of pipeline construction commencement and completion, drilling activity, acquisition and dispositions plans, development activities, timing of CO₂ injections and initial production response in tertiary flooding projects, estimated costs, production rates and volumes or forecasts thereof, hydrocarbon reserve quantities and values, CO₂ reserves, potential reserves from tertiary operations, future hydrocarbon prices or assumptions, liquidity, cash flows, availability of capital, borrowing capacity, finding costs, rates of return, overall economics, net asset values, potential reserves and anticipated production growth rates in our CO₂ models, 2011 and 2012 estimated production, 2011, 2012 and future production and expenditure estimates, and availability and cost of equipment and services. These forward-looking statements are generally accompanied by words such as “estimated”, “projected”, “potential”, “anticipated”, “forecasted” or other words that convey the uncertainty of future events or outcomes. These statements are based on management’s current plans and assumptions and are subject to a number of risks and uncertainties as further outlined in our most recent Form 10-K and Form 10-Q filed with the SEC. Therefore, the actual results may differ materially from the expectations, estimates or assumptions expressed in or implied by any forward-looking statement made by or on behalf of the Company.

Cautionary Note to U.S. Investors – Current SEC rules regarding oil and gas reserve information allow oil and gas companies to disclose in filings with the SEC not only proved reserves, but also probable and possible reserves that meet the SEC’s definitions of such terms. We disclose only proved reserves in our filings with the SEC. Denbury’s proved reserves as of December 31, 2010 were estimated by DeGolyer & MacNaughton, an independent petroleum engineering firm. In this presentation, we make reference to probable and possible reserves, some of which have been prepared by our independent engineers and some of which have been prepared by Denbury’s internal staff of engineers. In this presentation, we also refer to estimates of resource “potential” or other descriptions of volumes potentially recoverable, which in addition to reserves generally classifiable as probable and possible (2P and 3P reserves), include estimates of reserves that do not rise to the standards for possible reserves, and which SEC guidelines strictly prohibit us from including in filings with the SEC. These estimates, as well as the estimates of probable and possible reserves, are by their nature more speculative than estimates of proved reserves and are subject to greater uncertainties, and accordingly the likelihood of recovering those reserves is subject to substantially greater risk.

A Different Kind of Oil Company



Leading CO₂ Enhanced Oil Recovery (EOR) Company in the U.S. with a Unique Profile

Scale

Top 10 U.S. oil producer⁽¹⁾ ; ~\$8 billion enterprise value

Performance

33% compound annual growth rate (CAGR) in EOR production last 11 years

Platform

Infrastructure in place, secure CO₂ supply, more than 1 billion barrels of potential oil reserves, strong financial position

Sustainable Growth

10 year sustainable EOR growth profile at 13-15% CAGR; Top ten Bakken acreage position



(1) Source: IHS Energy, Pro forma 2010 Production including Denbury and Encore. Excludes GOM and Alaska. Excludes NGLs.



An EOR focused company

Targeting a large, attractive market

Strengths we are leveraging

Sustainable growth



What is CO₂ EOR & How Much Does It Recover?



Secure CO₂ Supply



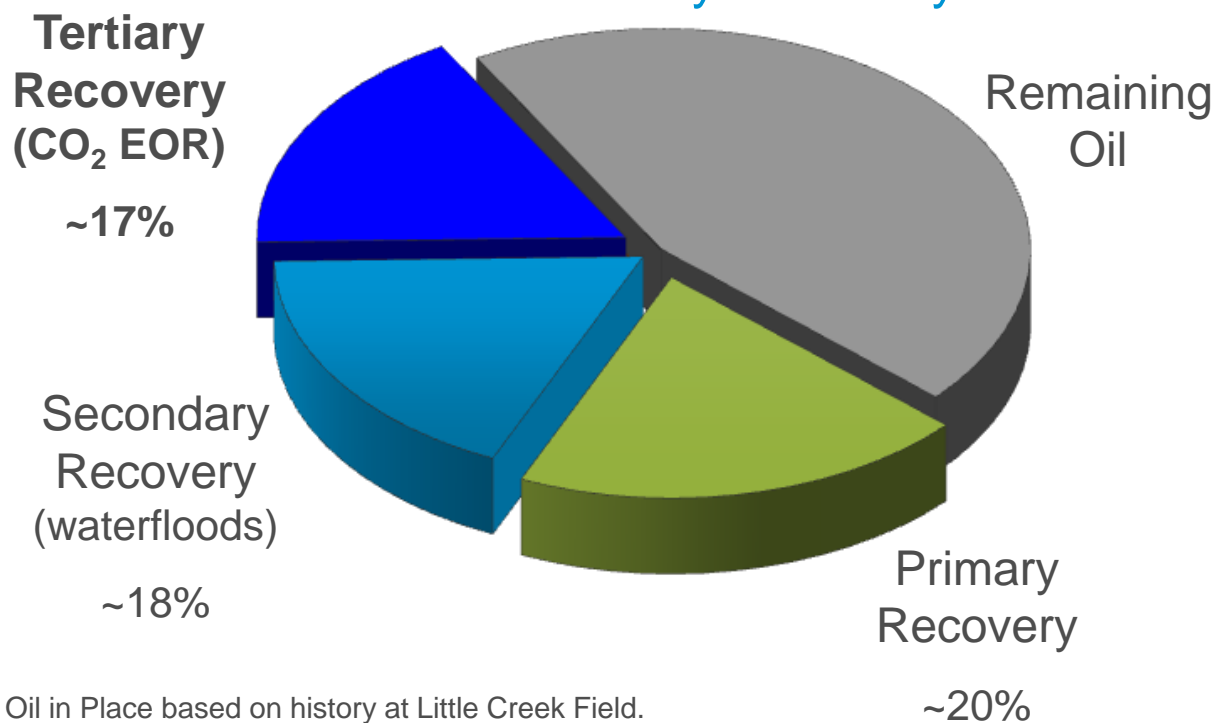
Transport via Pipeline



Inject into Oilfield



EOR Delivers Almost as Much Production as Primary and Secondary Recovery⁽¹⁾



(1) Recovery of Original Oil in Place based on history at Little Creek Field.



An EOR focused company

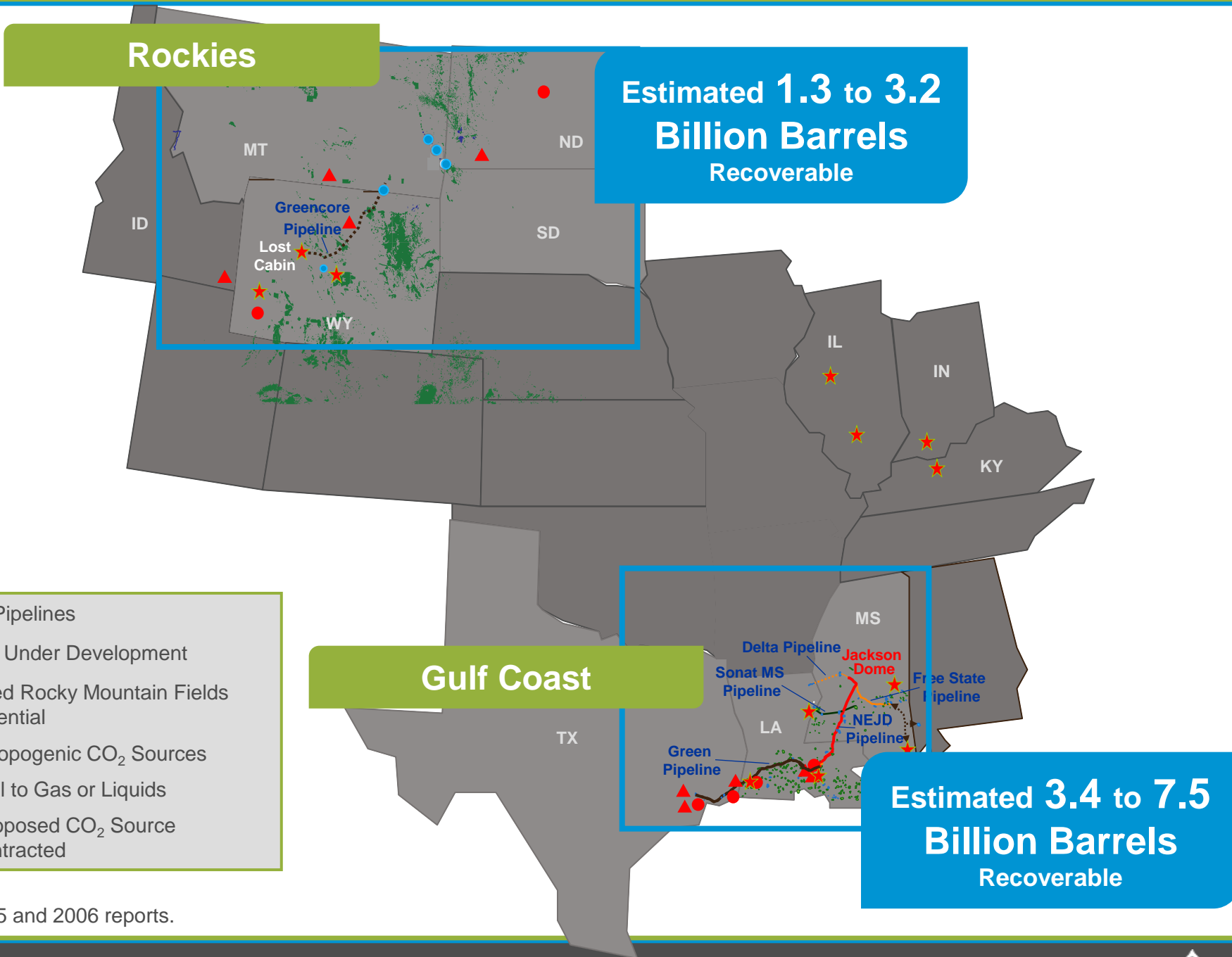
Targeting a large, attractive market

Strengths we are leveraging

Sustainable growth



Our Two EOR Target Areas: Up to 10 Billion Barrels Recoverable with EOR



- Existing CO₂ Pipelines
- CO₂ Pipelines Under Development
- Denbury owned Rocky Mountain Fields With EOR Potential
- Existing Anthropogenic CO₂ Sources
- ▲ Proposed Coal to Gas or Liquids
- ★ Existing or Proposed CO₂ Source Owned or Contracted

Source: DOE 2005 and 2006 reports.



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Targeting a large, attractive market

Strengths we are leveraging

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Denbury at a Glance



Total 3P Reserves (9/30/11)	1.3 BBbls
Proved Reserves % Oil (9/30/11)	78%
Market Cap (12/30/11)	~\$6B
Total Production (3Q11)	66,830 BOE/d
Proved PV-10 (9/30/11 at \$94.50 Oil Price)	\$10.3B
CO ₂ 3P Reserves (9/30/11)	~16 Tcf
CO ₂ Pipelines Controlled	835 miles
Credit Facility Availability (9/30/11)	\$1.5B

Set to Repeat Gulf Coast EOR Success in Rockies Plus Additional Growth Platform in Bakken



Rockies
233 Million EOR Barrels

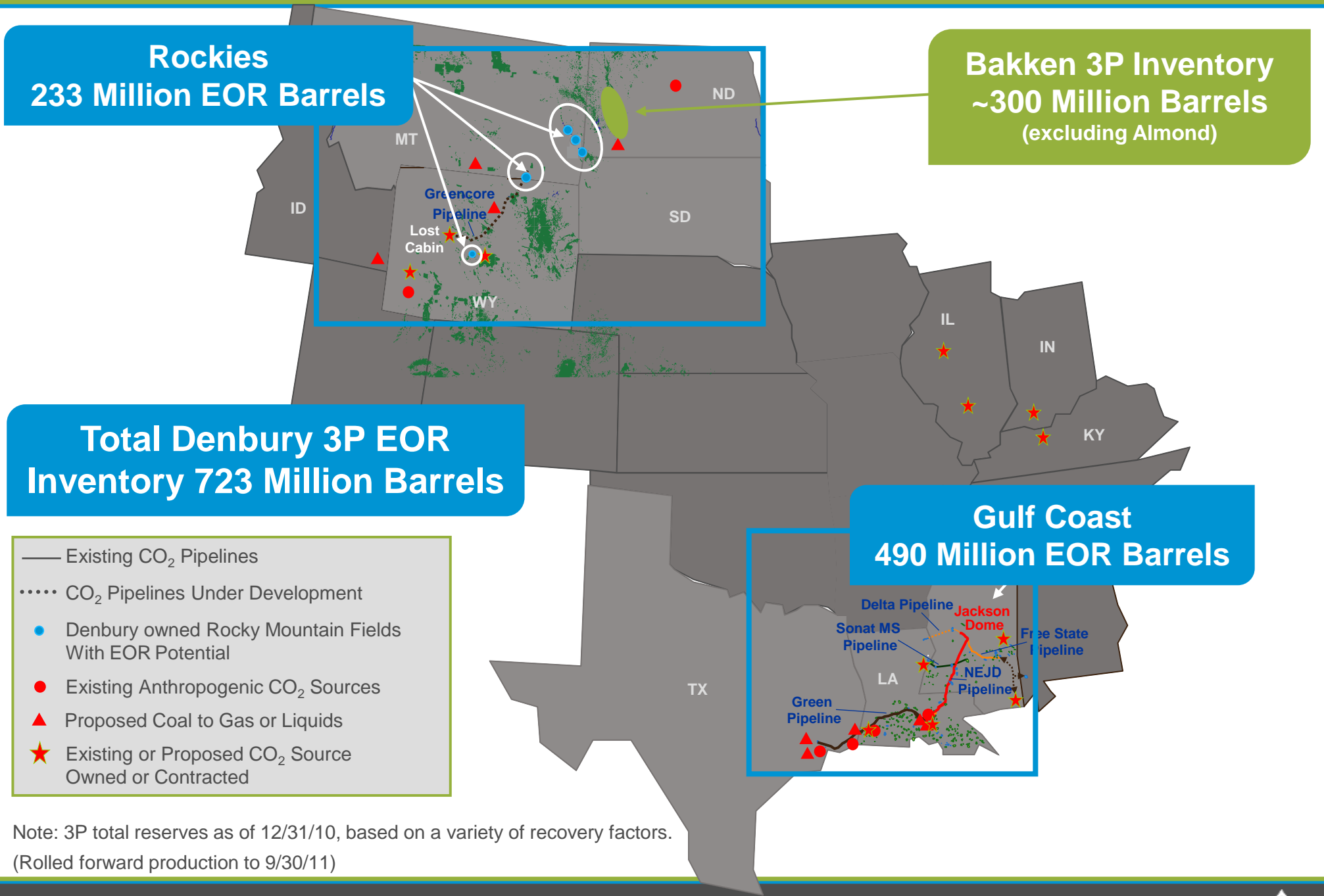
Bakken 3P Inventory
~300 Million Barrels
(excluding Almond)

Total Denbury 3P EOR
Inventory 723 Million Barrels

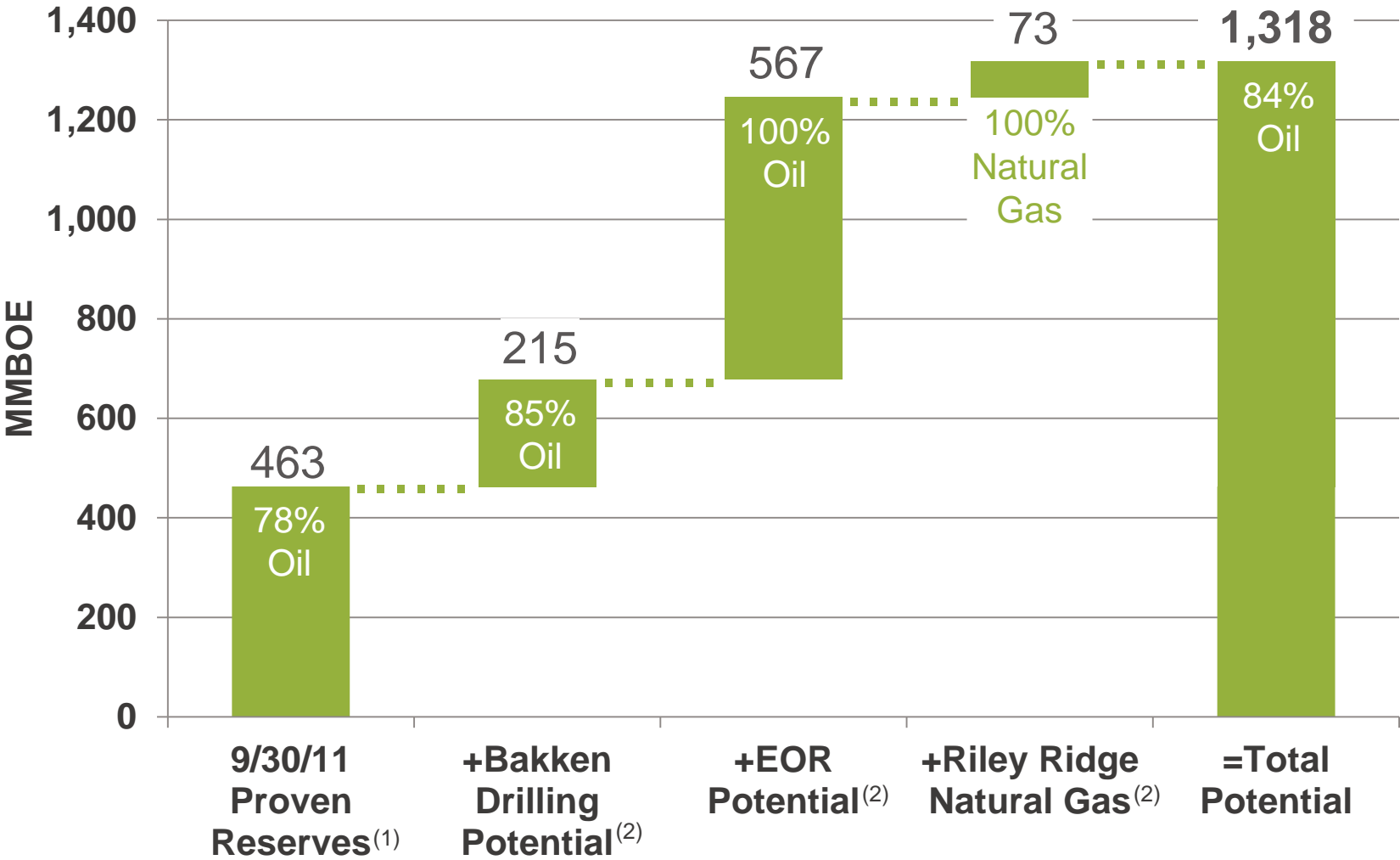
Gulf Coast
490 Million EOR Barrels

- Existing CO₂ Pipelines
- CO₂ Pipelines Under Development
- Denbury owned Rocky Mountain Fields With EOR Potential
- Existing Anthropogenic CO₂ Sources
- ▲ Proposed Coal to Gas or Liquids
- ★ Existing or Proposed CO₂ Source Owned or Contracted

Note: 3P total reserves as of 12/31/10, based on a variety of recovery factors.
(Rolled forward production to 9/30/11)



More than a Billion Barrels of Oil Potential

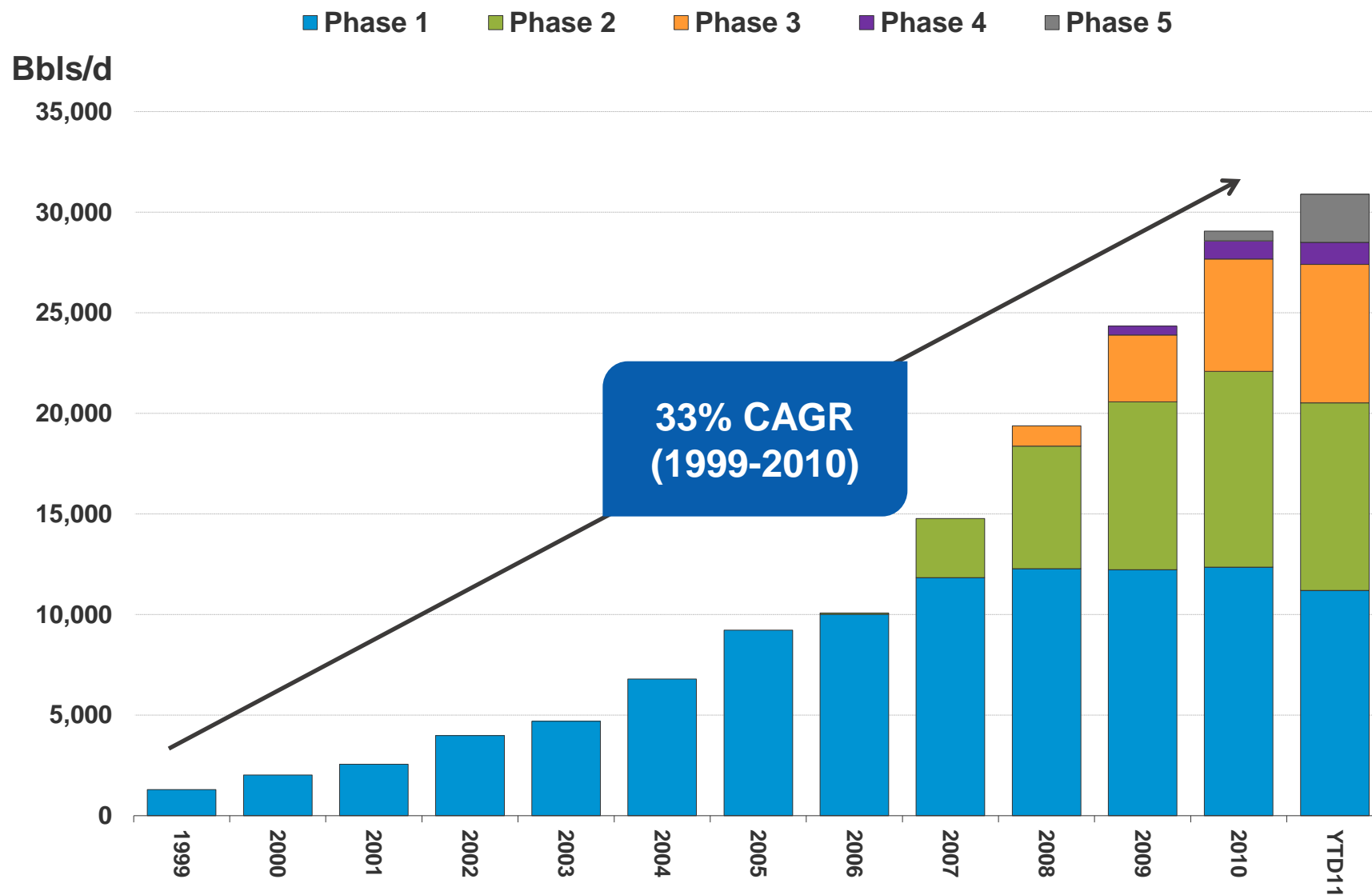


(1) Based on internal estimates as of 9/30/11
 (2) Estimates based on internal calculations, refer to slide 2

Proven Growth Record Last 11 Years



Net Daily Oil Production – Tertiary Operations (through 9/30/11)



Powerful Platform



- One of the most experienced EOR teams in the industry
- Unmatched strategic infrastructure
 - Own or control 835 miles of CO₂ pipeline
 - Largest CO₂ source in Gulf Coast region
- Long-life EOR assets in two key growth areas
 - Anticipate growth at 13-15% CAGR next 10 years
- Top ten acreage position in Bakken Shale Play
- CO₂ EOR is one of the most efficient tertiary recovery methods
- Low geological risk
- Oil focused company (EOR + Bakken)

Compelling Economics⁽¹⁾



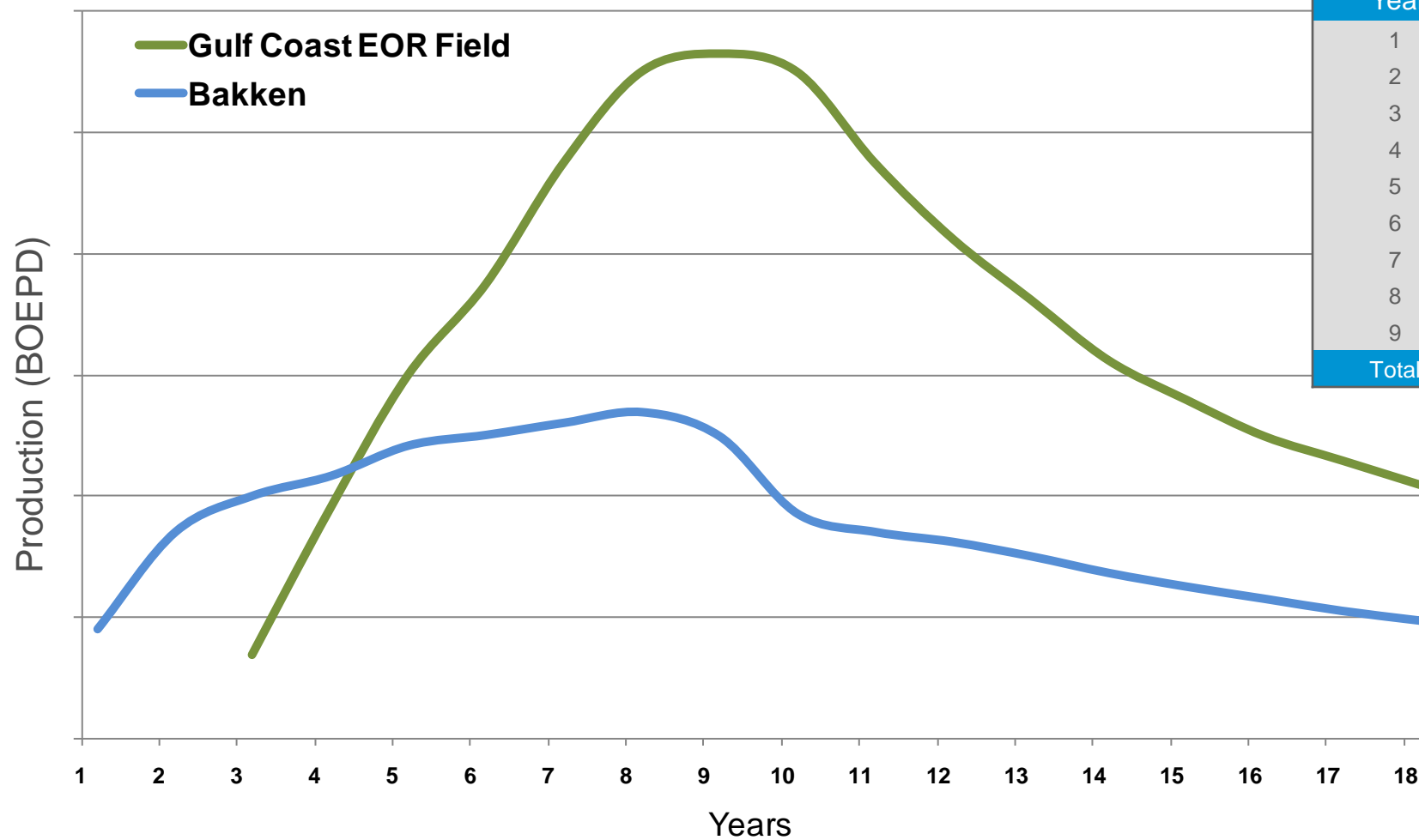
	EOR	Bakken
	Gulf Coast Model Averages	575,000 BOE / Well \$9.0 Million / Well 20% Royalty
NYMEX oil price	\$90.00	\$90.00
Finding & development cost:		
Field	9.00	19.50
Infrastructure	4.50	---
Total capital per BOE	\$13.50	\$19.50
Average operating cost over life	25.00	9.50
Average historic NYMEX differentials	1.25	10.00
Estimated gross margin	\$50.25	\$51.00
Estimated Internal Rate of Return	39%	29%
Return on investment	4.4	2.7

(1) Updated as of 6/30/11

Complementary Production Profiles



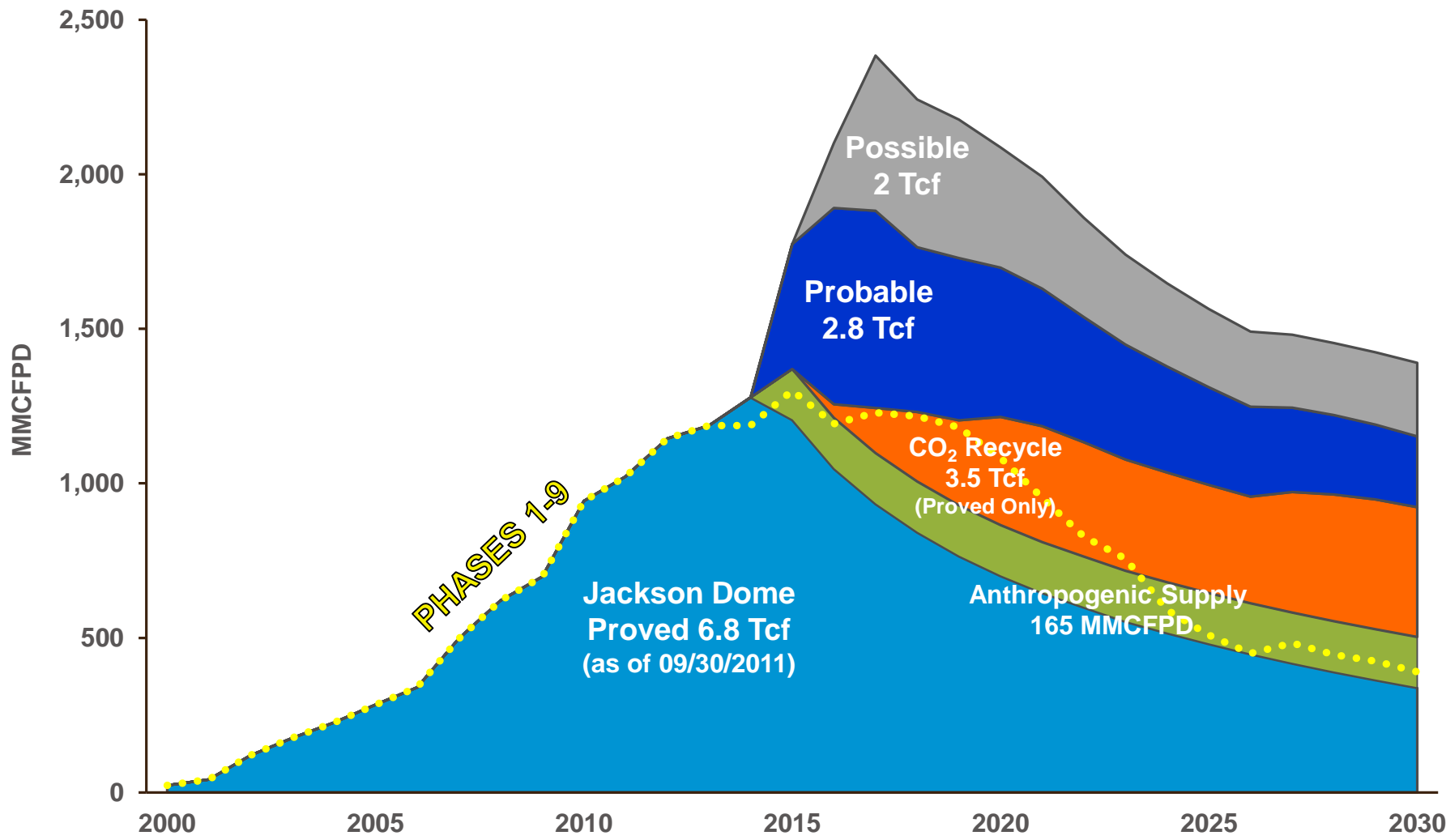
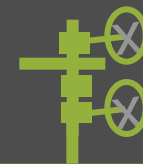
Projected Production Profile with Same Capital Spending



Capital Spending per Year Based on EOR Spending Pattern	
Year	\$MM
1	83
2	83
3	60
4	60
5	68
6	52
7	52
8	52
9	45
Total	\$555

Note: Assumes 700 BOEPD initial 30 day rate for Bakken wells.

Secure CO₂ Supply to Support Gulf Coast Growth



Note: CO₂ recycle assumed to be 50% of proved. Forecast based on internal management estimates. Actual results may vary. Phases 1-9 including industrial.

Riley Ridge Acquisition Provides CO₂ Supply for Rocky Mountains



- Purchased remaining 57.5% working interest in the 9,700+ acre Riley Ridge Unit
- Purchased 33% working interest in the adjoining 28,000 acre Horseshoe Unit
- Denbury will become the operator of both projects

Details

Purchase price: - \$306 million

Proved reserves - 435 BCF of natural gas

(Riley Ridge Unit only) - 15.5 BCF of helium

Net to DNR Interest - 2.4 TCF of CO₂

Probable reserves - 250-300 BCF of natural gas

(Horseshoe Unit) - 9.5-11.5 BCF of helium

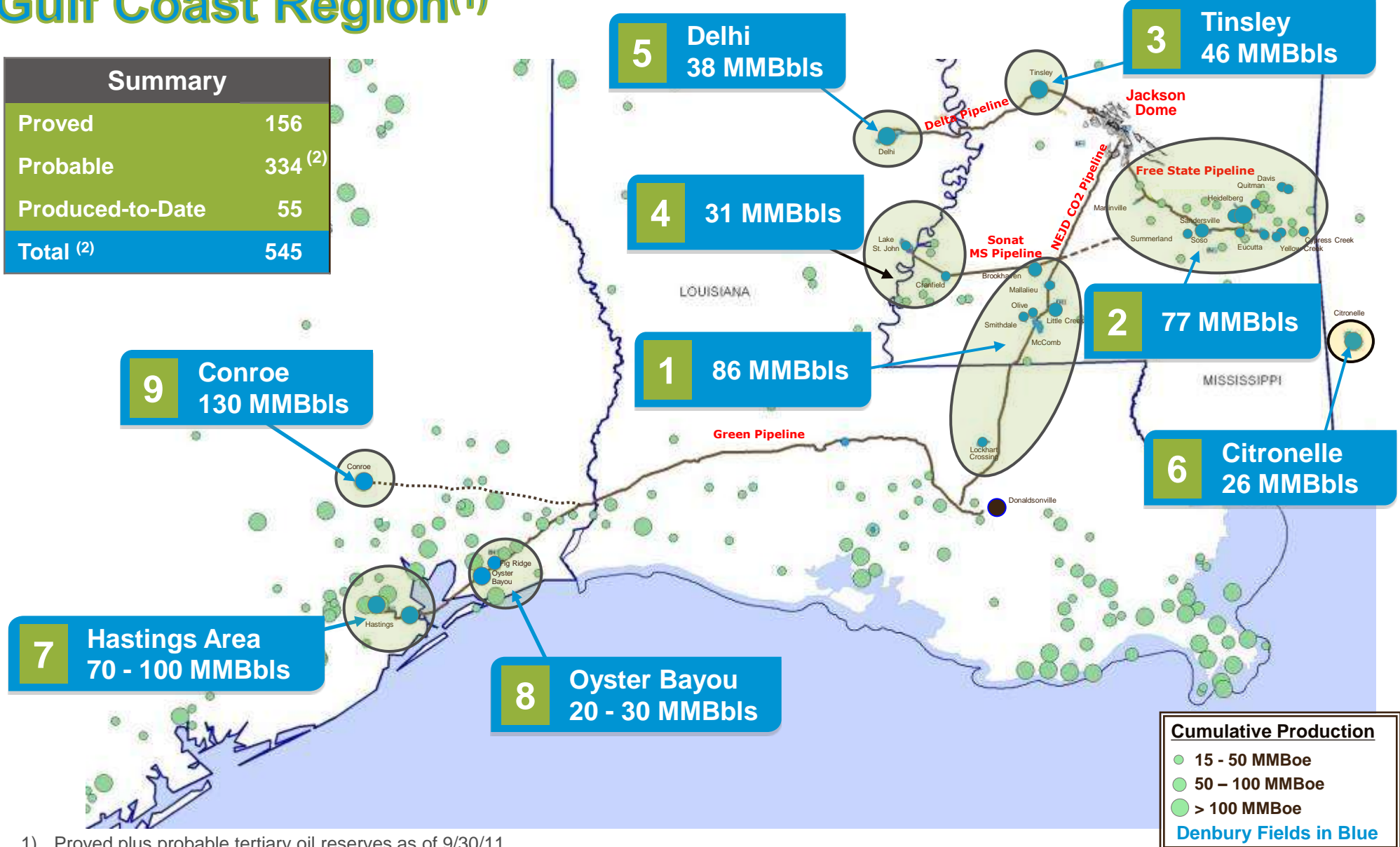
Net to DNR Interest - 2.0-2.2 TCF of CO₂

Expected first production: - Late 1st quarter 2012



Gulf Coast Region⁽¹⁾

Summary	
Proved	156
Probable	334 ⁽²⁾
Produced-to-Date	55
Total ⁽²⁾	545



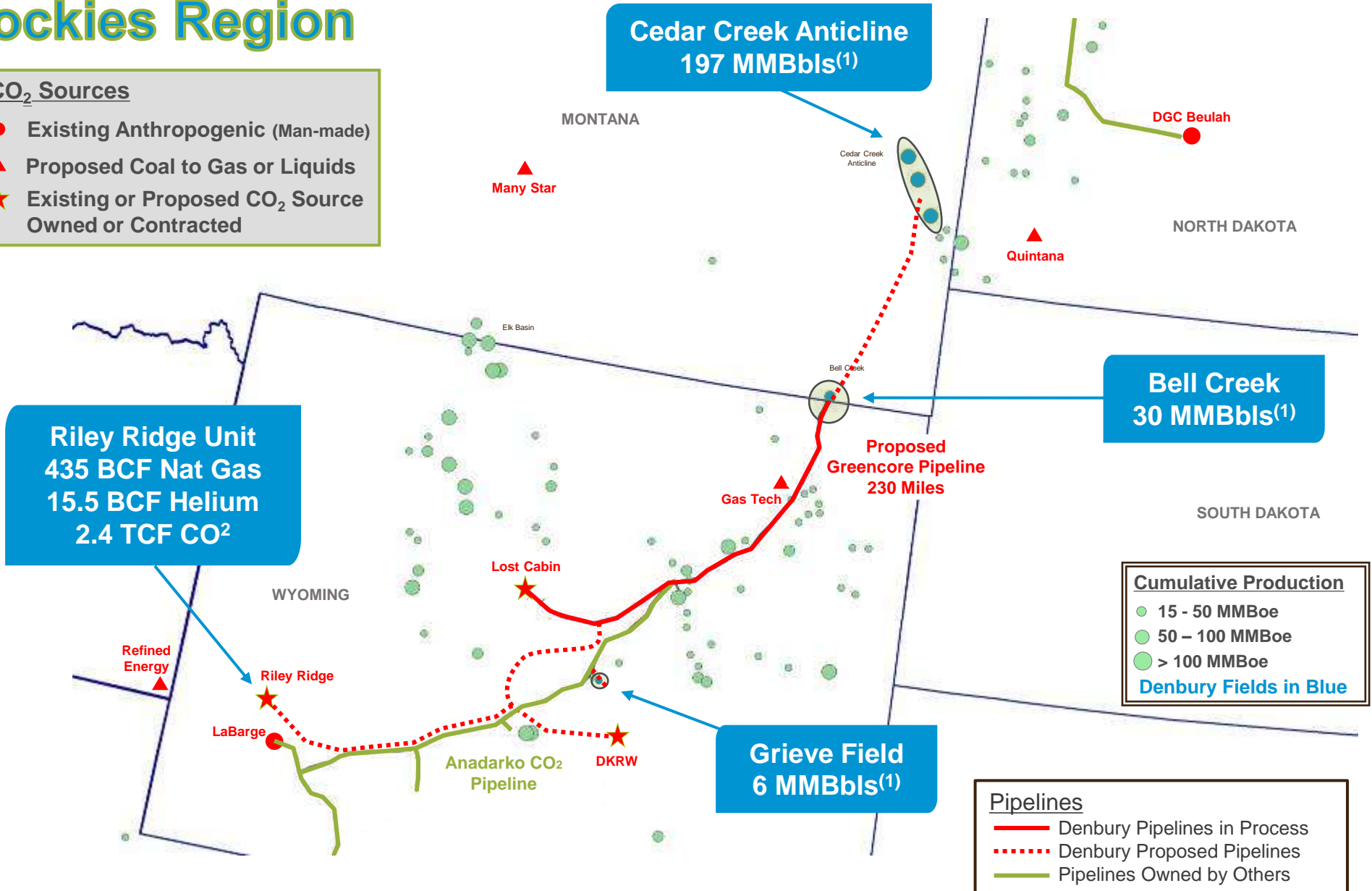
1) Proved plus probable tertiary oil reserves as of 9/30/11.
 2) Using mid-points of range.



Rockies Region

CO₂ Sources

- Existing Anthropogenic (Man-made)
- ▲ Proposed Coal to Gas or Liquids
- ★ Existing or Proposed CO₂ Source Owned or Contracted



1) Probable and possible reserve estimates.

Pipelines

- Denbury Pipelines in Process
- ⋯ Denbury Proposed Pipelines
- Pipelines Owned by Others

Cumulative Production

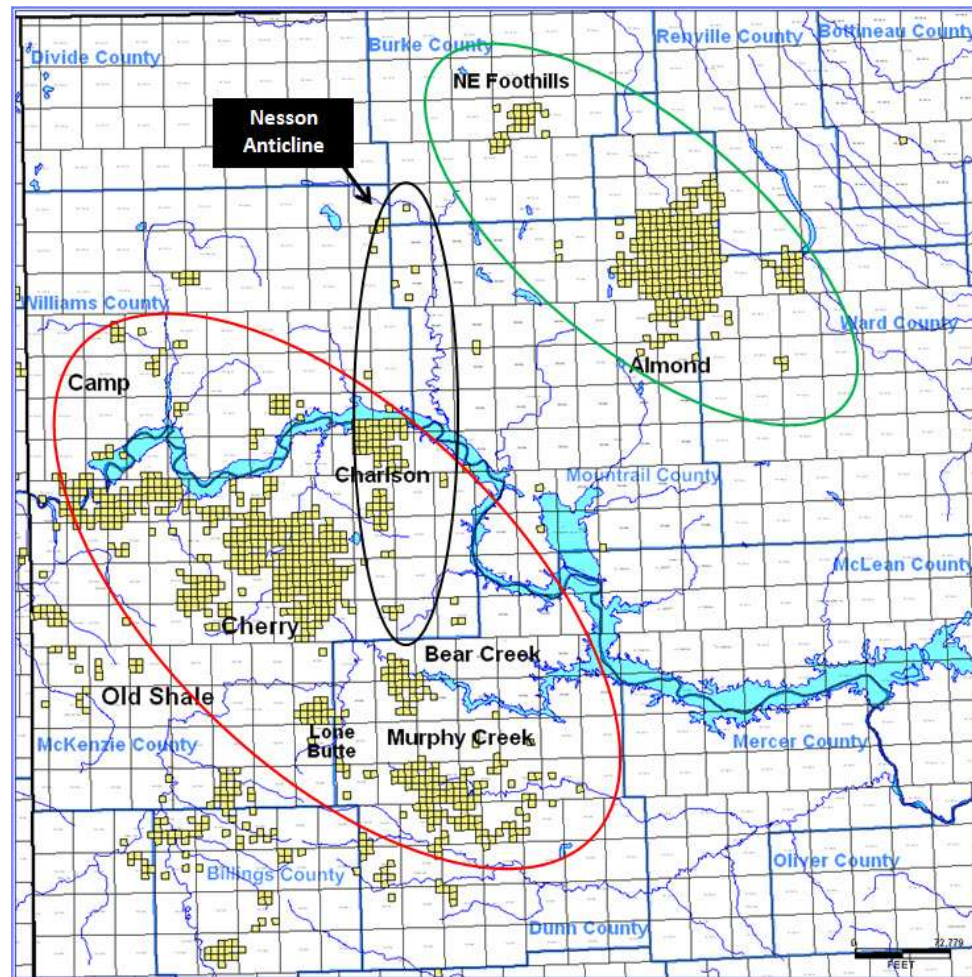
- 15 - 50 MMBoe
- 50 - 100 MMBoe
- > 100 MMBoe
- Denbury Fields in Blue

Third Growth Platform (Bakken Area)



Bakken Area

- ~200,000 net acres (excl. Almond)
- ~300 MMBOE of total potential (excl. Almond)
 - 84.4 MMBOE Proved as of 9/30/2011
- 3Q11 Production – 9,976 BOE/d
- 2011E Production – 8,400 BOE/d
- 2012E Production – 12,750-14,750 BOE/d



● DNR Acreage

○ Denbury's Core Bakken Area

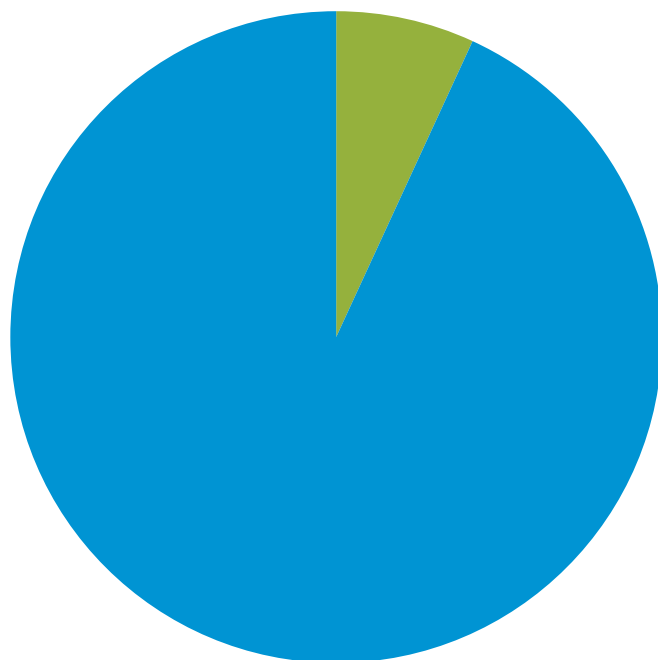
○ Denbury's Extensional Bakken Areas

Strong Financial Position



- \$1.5 billion availability under credit facility on 9/30/11

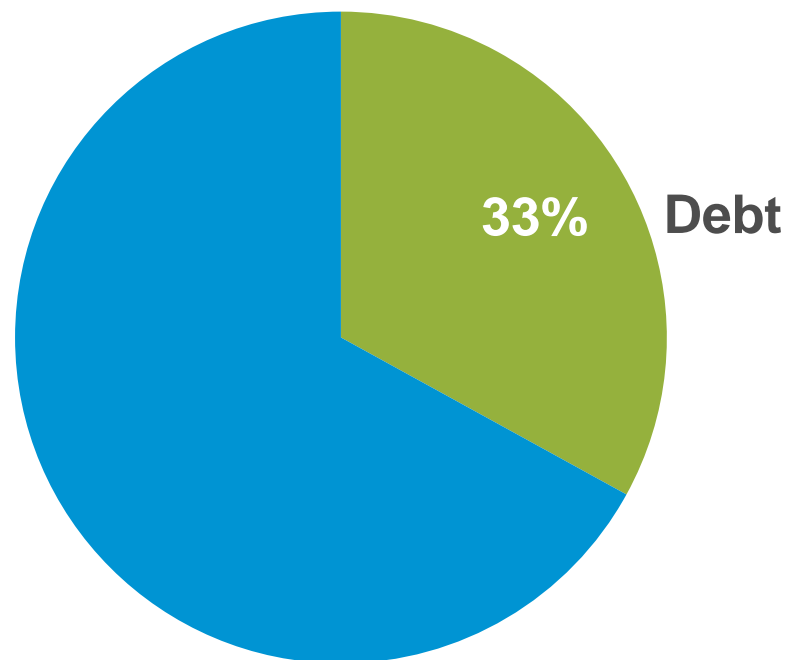
**Unused
Credit
Facility**



\$1.6 billion borrowing base

Net debt of ~\$270 million at 10/31/11

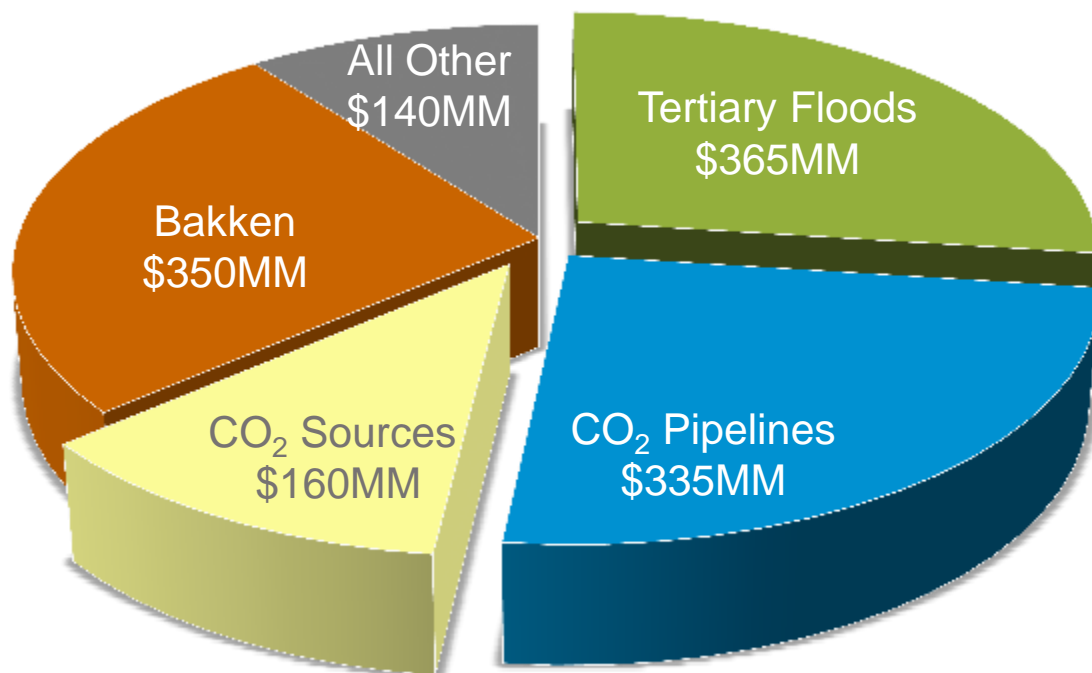
**Debt to Capitalization
(9/30/11)**



+ (9/30/11) Cash – \$24 million



2012 Capital Budget – \$1.35 Billion⁽¹⁾



2012 Production Estimate

Operating area	2011E (BOEPD)	2012E (BOEPD)	2012E growth
Tertiary Oil Fields	31,000	33,000- 36,000	6-16%
Bakken	8,400	12,750- 14,750	52-76%
Total Estimated Production	65,600	70,250- 75,250	7-15%

Production per share will grow an additional ~3% in 2012 as a result of stock re-purchased to date

(1) Excludes capitalized interest and capitalized EOR startup costs, estimated at \$60 million, also net of estimated \$65 million funded with operating leases

Sources & Uses



2012E Sources of Cash	(\$MM)
Estimated Cash flow from operations @ \$90-95 NYMEX oil	\$1,200 - 1,400
Estimated Asset sales	150 - 300
Total Estimated Sources	\$1,350 - 1,700

2012E Uses of Cash	(\$MM)
Capital budget	\$1,350
Estimated Capitalized interest & tertiary start-up costs	60
Assumed stock repurchases (2011 and 2012) ⁽¹⁾	250
Total Estimated Uses	\$1,660

2012E Cash flow (deficit)/excess	(\$310) - \$40
---	-----------------------

(1) ~14 million shares purchased through 12/30/11 for approximately \$195 million.

Hedges Protect Against Downside in Near-Term⁽¹⁾



Crude Oil	2012			2013	
	1st Quarter	2nd Quarter	2nd Half	1st Quarter	2nd Quarter
Approximate production hedged ⁽²⁾	~80%	~80%	~80%	~80%	~60%
Principal price support	\$70	\$70	\$80	\$70	\$75
Principal price ceilings	~\$105	~\$118	~\$128	~\$110	~\$115

Natural Gas	2012
Approximate production hedged ⁽²⁾	~45%
Principal price support (primarily swaps)	\$6.50-6.65

(1) Figures are general estimates and averages as of 12/30/11. Please see SEC documents for details of derivative contracts.

(2) Approximate percentage of proven production forecast which may differ from anticipated results.



An EOR focused company

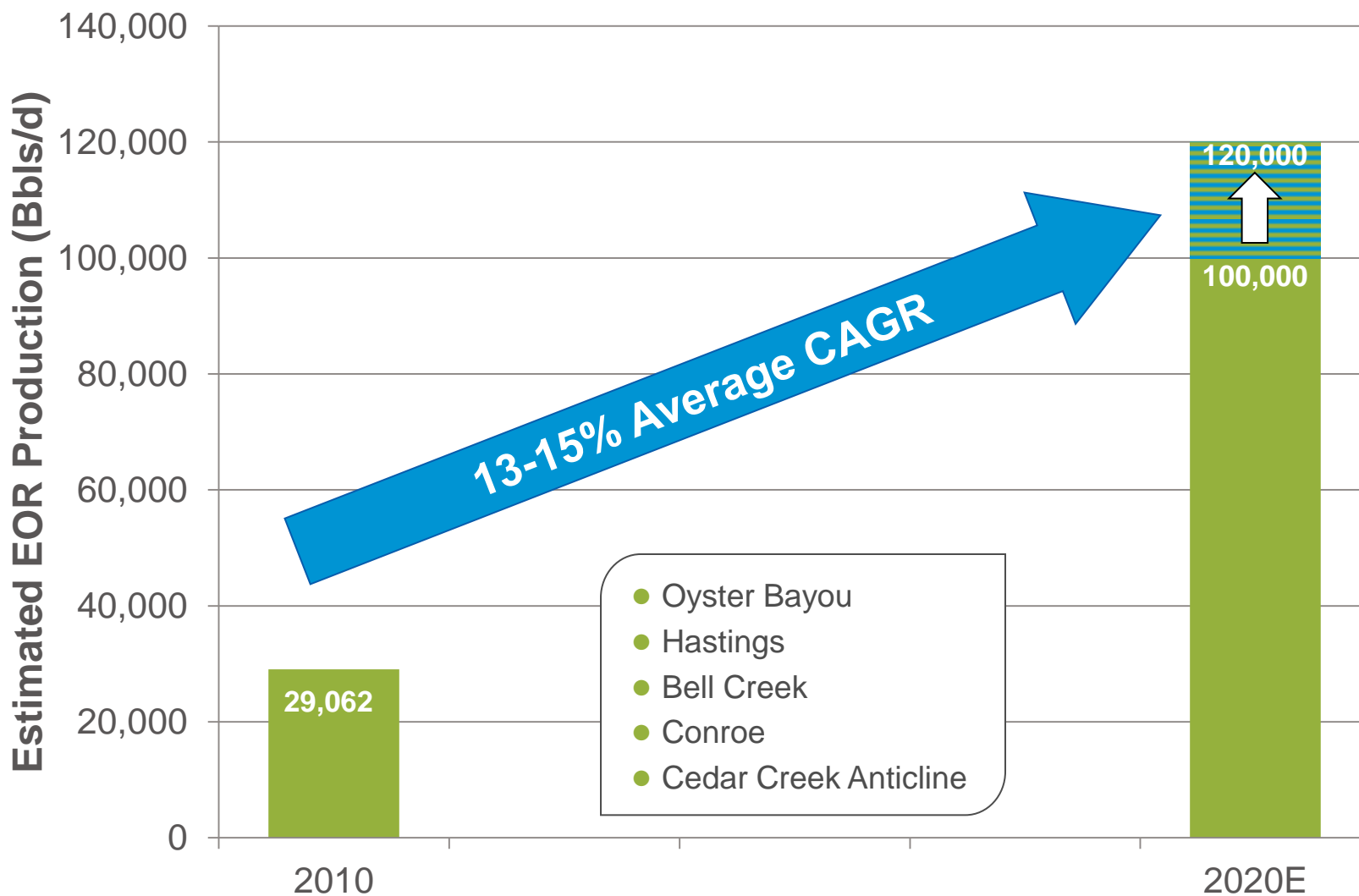
Targeting a large, attractive market

Strengths we are leveraging

Sustainable growth



Strong, Sustainable EOR Growth through 2020



Estimated EOR Peak Production Rates (as of 9/30/11)



Operating Area	First Production	Estimated Peak Production Rate (Net MBOE/d)					Expected Peak Year	Produced to date ⁽¹⁾ (MMBOE)	Proved Remaining (MMBOE)	2P&3P Remaining ⁽²⁾ (MMBOE)
		< 5	5-10	10-15	15-20	> 20				
Phase 1	1999						2010	35	40	11
Phase 2 (excl Heidelberg)	2006						2015-17	10	15	8
Oyster Bayou	2012						2012-13	---	---	25
Tinsley	2008						2013-14	5	32	9
Heidelberg	2009						2014-16	2	33	9
Delhi	2010						2015-17	< 1	28	9
Bell Creek	2013						2018-20	---	---	30
Cranfield	2009						2016-19	< 1	8	5
Lake Saint John	2016						2018-22	---	---	18
Hastings	2012						2021-25	---	---	75
Citronelle	Unscheduled						>2020	---	---	26
Conroe	2015						2022-26	---	---	130
Cedar Creek Anticline	2017						2023-27	---	---	197

Expected year of first tertiary production.

(1) Tertiary oil production only through 9/30/11

(2) Based on internal estimates of reserve recovery

IN SUMMARY: Investment Highlights

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(1) Source: IHS Energy, Pro forma 2010 Production including Denbury and Encore. Excludes GOM and Alaska. Excludes NGLs.



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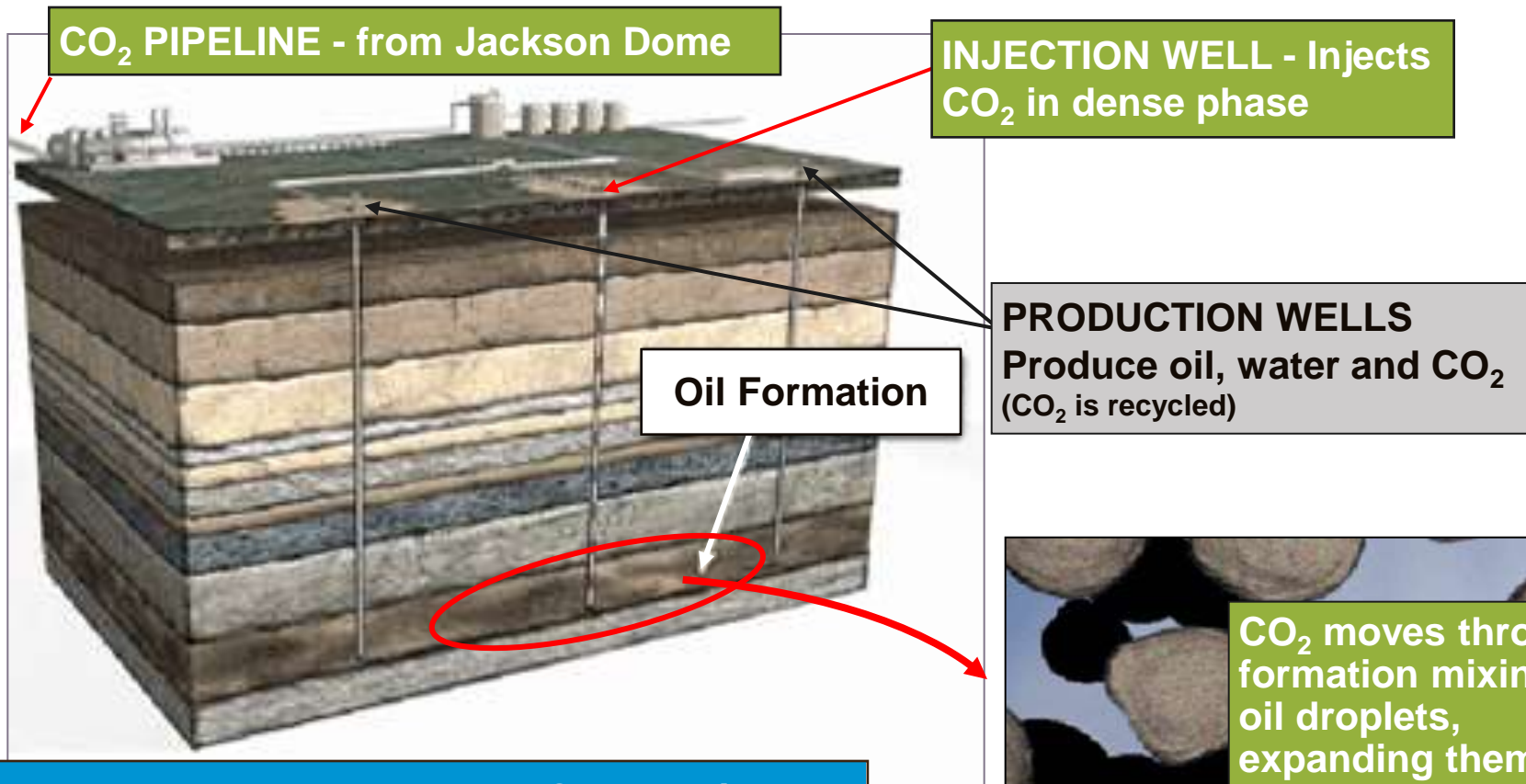
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Appendix



CO₂ Operations: Oil Recovery Process



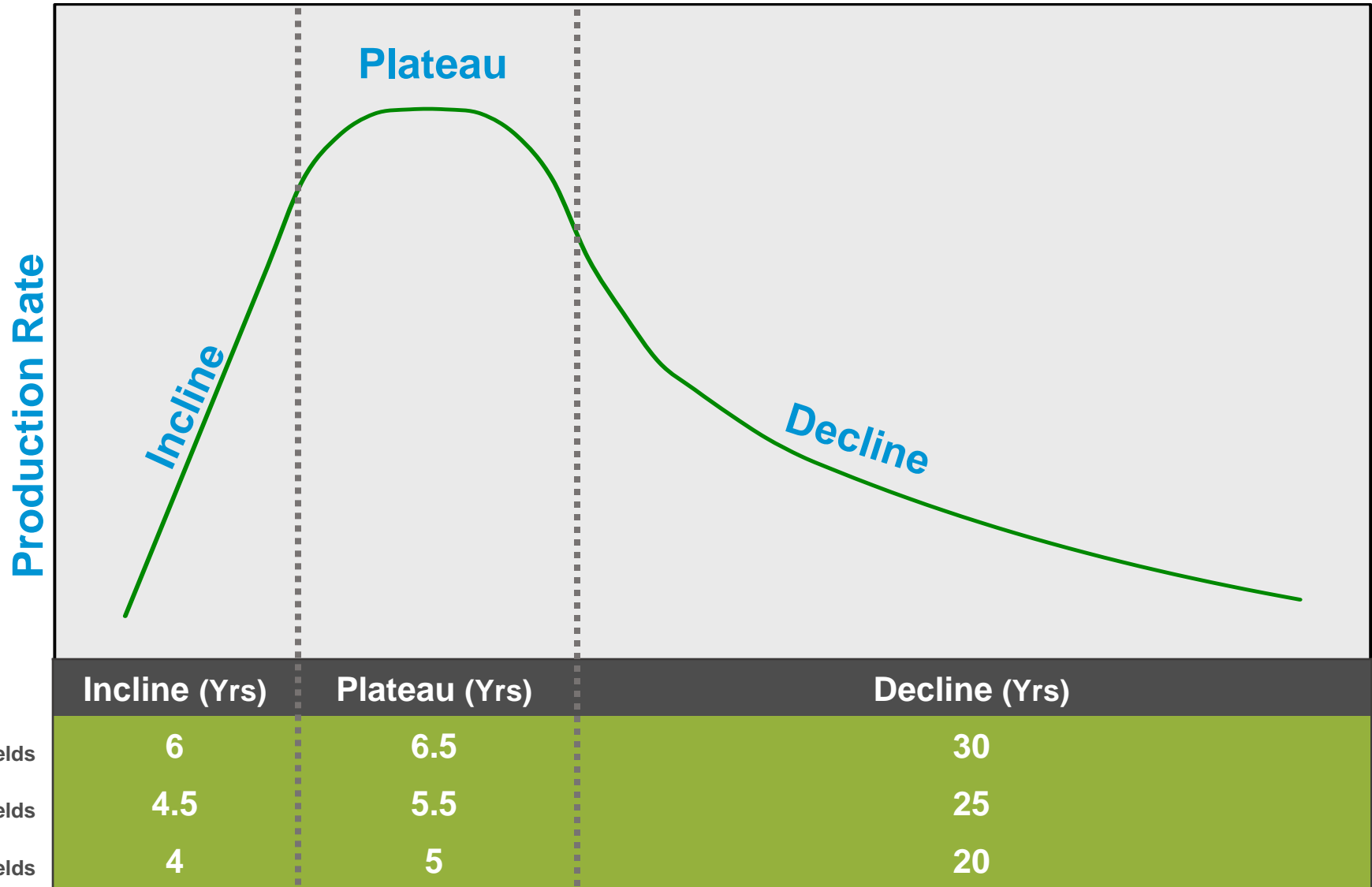
Model for Oil Recovery Using CO₂ is +/- 17% of Original Oil in Place (Based on Little Creek)

Primary recovery = +/- 20%

Secondary recovery (waterfloods) = +/- 18%

Tertiary (CO₂) = +/- 17%

CO₂ EOR Generalized Type Curve



Production by Area (BOE/d)



Operating area	Pro forma 2010 ⁽¹⁾	1Q11	2Q11	3Q11	2011E	2012E	Expected Growth
Tertiary Oil Fields	29,062	30,825	30,771	31,091	31,000	33,000 - 36,000	6-16%
Mississippi – Non-CO ₂ Floods	8,012	7,586	7,333	7,193	7,400	5,700	
Texas	4,941	4,371	4,202	4,096	4,200	3,500	
Onshore Louisiana	709	767	659	214	500	300	
Alabama & Other	1,049	1,026	1,084	1,072	1,000	950	
Cedar Creek Anticline	9,728	9,163	8,925	8,930	8,900	8,300	
Bakken	4,480	5,728	7,626	9,976	8,400	12,750 - 14,750	52-76%
Other Rockies	4,577	4,138	4,319	4,258	4,200	5,750	
Total Continuing Production	62,558	63,604	64,919	66,830	65,600	70,250 - 75,250	7-15%
Disposed Legacy Encore Properties	9,852	---	---	---	---	---	
Disposed ENP Properties	8,767	---	---	---	---	---	
Total Production	81,177	63,604	64,919	66,830	65,600	70,250 - 75,250	
						~90% Oil	

(1) Represents pro forma production assuming we had reported Encore production for the period prior to the merger between 1/1/10 and 3/8/10.

Analysis of Tertiary Operating Costs



	Correlation w/Oil	1Q10 \$/BOE	2Q10 \$/BOE	3Q10 \$/BOE	4Q10 \$/BOE	2010 \$/BOE	1Q11 \$/BOE	2Q11 \$/BOE	3Q11 \$/BOE
CO ₂ Costs	Direct	\$4.89	\$5.05	\$4.64	\$5.55	\$5.05	\$5.58	\$5.63	\$5.03
Power & Fuel	Partially	6.12	5.82	6.04	5.76	5.93	6.12	6.16	6.24
Labor & Overhead	None	3.58	3.51	3.70	3.43	3.55	3.94	3.78	3.85
Equipment Rental	None	2.13	2.02	1.93	1.80	1.96	2.20	1.52	2.28
Chemicals	Partially	1.41	1.41	1.73	1.67	1.56	1.62	1.44	1.80
Workovers	Partially	2.97	1.62	2.78	2.36	2.43	3.75	2.53	3.44
Other	None	1.57	1.94	1.72	1.69	1.73	2.19	2.29	2.70
Total		\$22.67	\$21.37	\$22.54	\$22.26	\$22.21	\$25.40	\$23.35	\$25.34
NYMEX Oil Price		\$78.61	\$78.12	\$76.10	\$85.16	\$79.51	\$94.26	\$102.58	\$89.60

Potential Carbon Gasification Projects



- Denbury purchase contracts (contingent on plants being completed)
 - Initial production expected +/- 4 years after construction begins (not before 2015)

Gulf Coast Sources (\$0.29 to \$0.44/Mcf @ \$60 Oil)		MMCFD
Mississippi Power ⁽⁴⁾ (2014)	<i>Currently Under Construction</i>	+/- 115
Air Products (Port Arthur, TX) ⁽⁴⁾ (Q1 2013)		50
Lake Charles Cogeneration LLC ⁽³⁾		190 – 240
Mississippi Gasification of Mississippi (SNG) ⁽¹⁾ ⁽²⁾ ⁽³⁾		170 – 225
Faustina (Donaldsonville, LA)		100 – 225
Rentech (Natchez, MS)		350 – 400

Midwest Sources (\$0.20/Mcf @ \$60 Oil)		MMCFD
Indiana Gasification (SNG) ⁽¹⁾ ⁽²⁾		230 – 300
Power Holdings of Illinois (SNG) ⁽¹⁾		250 – 300
Christian County Generation/Tenaska of Illinois (SNG) ⁽¹⁾ ⁽²⁾ ⁽⁵⁾		170 – 225
Cash Creek Kentucky (SNG) ⁽¹⁾		190 – 210

(1) Requires additional supplies and additional pipeline.

(2) In term sheet negotiation phase under the U.S. Department of Energy Loan Guarantee Program.

(3) Denbury and Emitter selected for DOE Grant FOA-0000015 (grant dollars, not loan guarantees).

(4) Under Construction

(5) Contingent on having pipeline capacity.

Rockies Anthropogenic CO₂



Rocky Mountain Purchase Contracts		MMCFD
COP Lost Cabin (Central Wyoming) (Q1 2013)	<i>Currently Under Construction</i>	+/- 50
XOM LaBarge (SW Wyoming) ⁽¹⁾ (Q3 2012)		+/- 50
DKRW Medicine Bow (SE Wyoming) ⁽²⁾ (+/- 2016)		+/- 100

Rocky Mountain CO ₂ Ownership		MMCFD
Riley Ridge Unit - LaBarge (SW Wyoming) (2016)		+/- 600

Rocky Mountain Potential Sources		MMCFD
GasTech (NE Wyoming)		+/- 115
Quintana South Heart Project (SW North Dakota)		+/- 100
Dakota Gasification (SW North Dakota) ⁽³⁾		+/- 250

(1) Grieve Field Contract – Potential for more XOM supply.

(2) In term sheet negotiation phase under the U.S. Department of Energy Loan Guarantee Program.

(3) Includes volumes currently under contract by third parties.

Most Recent Operated Bakken Well Activity



Completed Well	Area	Formation	IP ⁽¹⁾	30-Day Avg. ⁽²⁾ (BOE/d)	60-Day Avg. ⁽²⁾ (BOE/d)	90-Day Avg. ⁽²⁾ (BOE/d)	Unit Acres	Frac Stages	W. I.	IP Date
Loomer 34-4 NWH	Cherry	Bakken	2,574	674	467	508	640	16	57%	7/15/11
Lee 34-31 NWH	Cherry	Bakken	2,004	644	638	583	1,280	24	79%	7/22/11
Wolff 13-24 NEH	Cherry	Bakken	2,414	738	638	N/A	1,280	26	63%	8/14/11
Sorenson 34-32 NWH	Cherry	Bakken	1,681	750	697	N/A	1,280	32	52%	8/16/11
Swenson 41-33 SEH	Charlson	Bakken	2,189	724	637	N/A	640	20	44%	8/21/11
McCoy 44-32 NWH	Cherry	Bakken	2,322	921	N/A	N/A	1,280	26	85%	9/3/11
Charlson 34-12	Charlson	Bakken	1,441	524	N/A	N/A	640	15	58%	10/1/11
Rolfson 21-16 SEH	Cherry	Bakken	2,340	N/A	N/A	N/A	1,280	26	69%	10/17/11
Rolfson 11-16 NEH	Cherry	Bakken	2,694	N/A	N/A	N/A	1,280	25	66%	10/26/11
Loomer 24-34 NEH	Cherry	Bakken	Flowing	N/A	N/A	N/A	1,280	26	49%	10/2011
Loomer 24-34 SEH	Cherry	Bakken	Flowing	N/A	N/A	N/A	1,280	26	59%	10/2011

(1) Consecutive 24-hour test in BOE/d.

(2) Date from first significant production

Most Recent Bakken Well Activity



Completing	Area	Formation	Frac Date	30-Day Avg.	Unit Acreage	Frac Stages	W. I.
Sorenson 31-28SWH	Cherry	Bakken	10/2011	N/A	1,280	26	68%
Satter 31-1 SWH	Cherry	TFS	11/2011	N/A	1,280	26	84%
Bergem 44-28 NWH	Cherry	Bakken	11/2011	N/A	1,280	20	55%

Drilling	Area	Formation	Spud Date	Frac Date	Acreage	Frac Stages	W. I.
Serrahn 41-6 SWH	Cherry	Bakken	10/12/11	12/2011	1,280	26	75%
Jore 34-22 NWH	Cherry	Bakken	10/10/11	12/2011	1,280	26	48%
Stepanek 31-17 SWH	Cherry	Bakken	10/4/11	12/2011	1,280	26	59%
Satter 24-35 NEH	Cherry	Bakken	9/27/11	12/2011	1,280	26	91%
Satter 24-35 SEH	Cherry	Bakken	10/1/11	12/2011	1,280	26	91%
Erickson 41-25 NWH	Cherry	Bakken	10/9/11	1/2012	1,280	26	46%
Erickson 41-25 SWH	Cherry	Bakken	10/18/11	1/2012	1,280	26	40%
Olson 34-19 NWH	Cherry	Bakken	10/24/11	2/2012	1,280	26	79%

Bakken Area Production Zones



Area	Productive Zone		Estimated Wells/DSU	Approx. Net Acreage
	MB	Sanish		(1,000's)
Charlson	✓	✓	6	15
Murphy Creek	✓	✓	6	18
Bear Creek	✓	✓	6	10
Cherry	✓	✓	6	66
Lone Butte	✓	✓	6	9
Camp/Indian Hills	✓	?	6	16
Almond	X	X	0	65
NE Foothills	✓	?	3	10
Old Shale Play	✓	✓	6	46
Montana & Other Areas	✓	?	3	12
Total				266

Capital Structure



(\$MM)	9/30/11
Cash	\$24
Bank credit facility	110
9.500% Sr. Sub Notes due 2016	238
9.750% Sr. Sub Notes due 2016	407
8.250% Sr. Sub Notes due 2020	996
6.375% Sr. Sub Notes due 2021	400
Other Encore Sr. Sub Notes	4
Genesis pipeline financings / other	242
Total long-term debt	\$2,397
Equity	4,936
Total capitalization	\$7,333
Q3 2011 Annualized Adjusted cash flow from operation	\$1,431
Debt to Q3 2011 Annualized Adjusted cash flow from operations	1.7x
Debt to total capitalization	33%