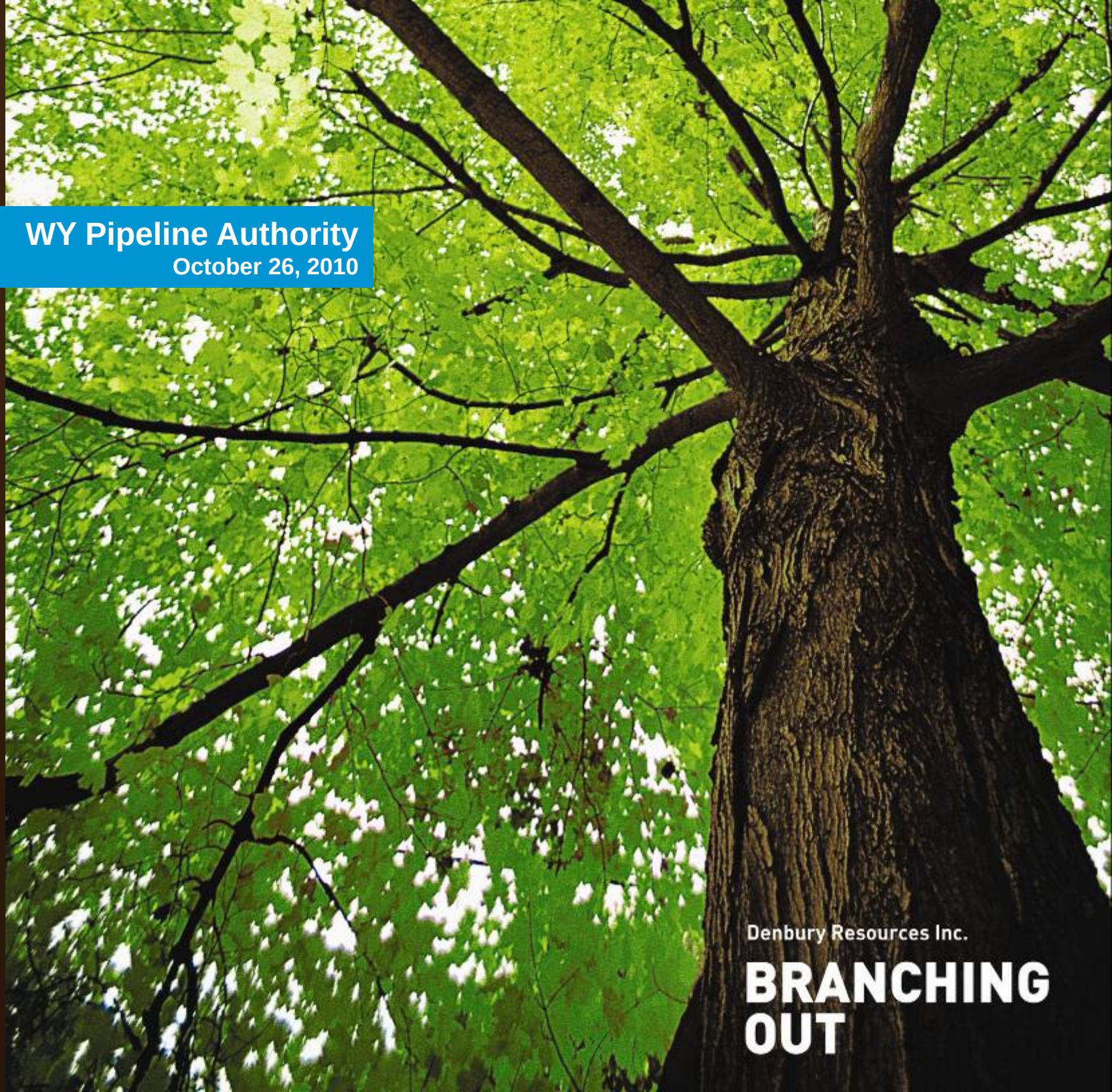
# WY Pipeline Authority

October 26, 2010




NYSE: DNR
www.denbury.com

# Corporate Information

## Corporate Headquarters

**Denbury Resources Inc.**
**5100 Tennyson Pkwy., Ste. 1200**
**Plano, Texas 75024**
**Ph: (972) 673-2000  Fax: (972) 673-2150**
**Web Site:  www.denbury.com**

## Contact Us

**Phil Rykhoek**
**Chief Executive Officer**
**(972) 673-2050**
**phil.rykhoek@denbury.com**

**Mark Allen**
**Senior VP & CFO**
**(972) 673-2007**
**mark.allen@denbury.com**

**Laurie Burkes**
**Investor Relations Manager**
**(972) 673-2166**
**laurie.burkes@denbury.com**

## 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, capital expenditures, drilling activity, development activities, production efforts and volumes, net asset values, proved reserves, potential reserves and anticipated production growth rates in our $CO_2$ models, 2010 and future production and expenditure estimates, availability and cost of equipment and services, and other enumerated reserve potential.  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 10-K and 10-Q.  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 – The SEC has recently modified its rules regarding oil and gas reserve information that may be included in filings with the SEC.  The newly applicable rules allow oil and gas companies to disclose 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, 2009 were estimated by DeGolyer & MacNaughton and Miller & Lents, independent petroleum engineering firms.  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, 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.**

# Defining Denbury

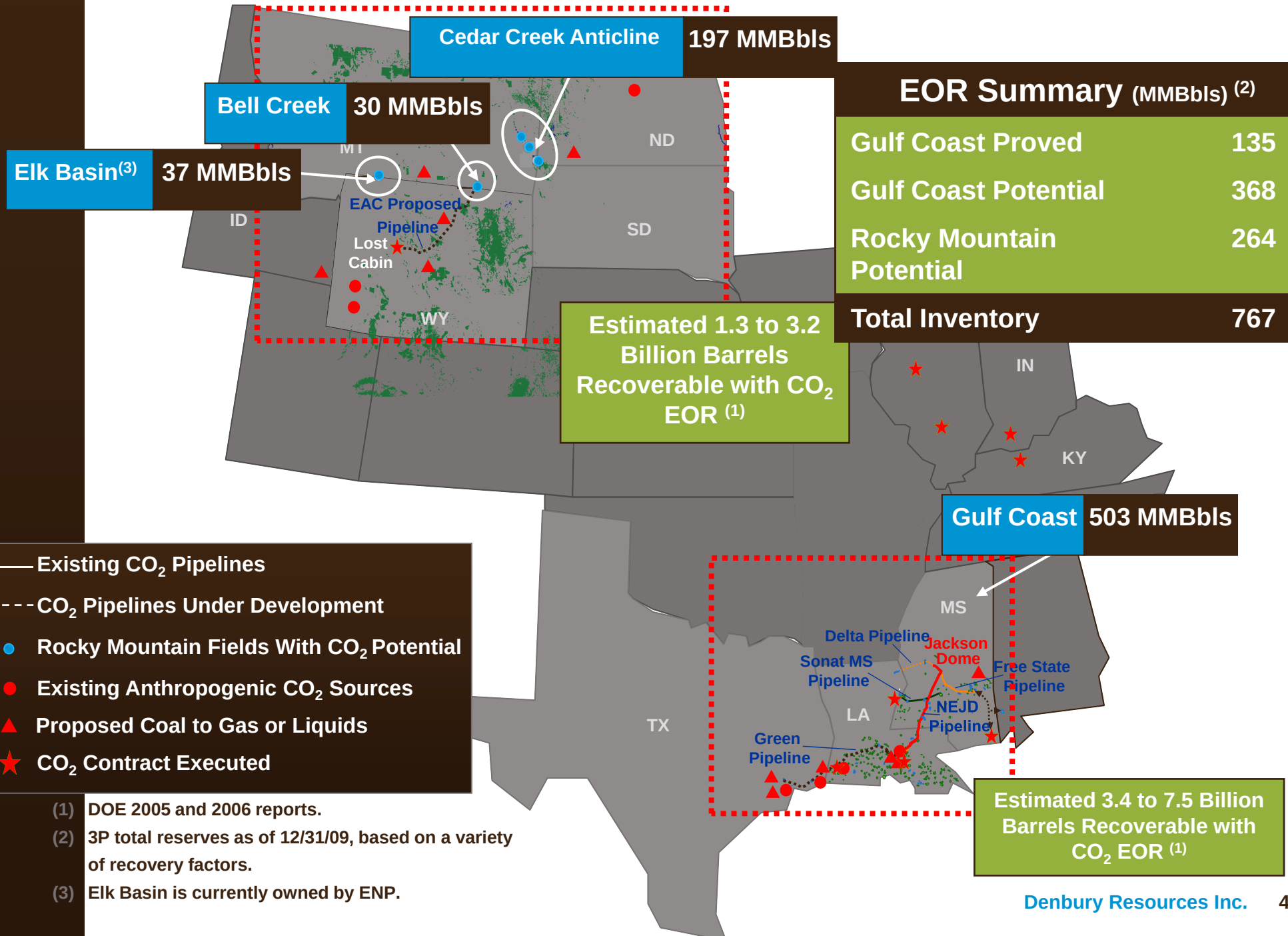
## Who We Are:

- Denbury is the Leading $CO_2$ Enhanced Oil Recovery ($CO_2$ EOR) Company in the Gulf Coast Region, with an Emerging Presence in the Rocky Mountains
- We are the Largest Equity Owner/User of $CO_2$ in the Gulf Coast Region
- We are one of the Largest Oil-Focused Independents

## What We Do:

- Denbury is Aggressively Exploiting Our Large Inventory of Gulf Coast $CO_2$ EOR Development Opportunities
- With Our Recent Encore Merger, We have Positioned the Company to Become a Major $CO_2$ Operator in the Rocky Mountains

# Transferring Gulf Coast $CO_2$ Success to the Rockies




| EOR Summary (MMBbls) (2) | |
|---|---|
| Gulf Coast Proved | 135 |
| Gulf Coast Potential | 368 |
| Rocky Mountain Potential | 264 |
| Total Inventory | 767 |

(1) DOE 2005 and 2006 reports.

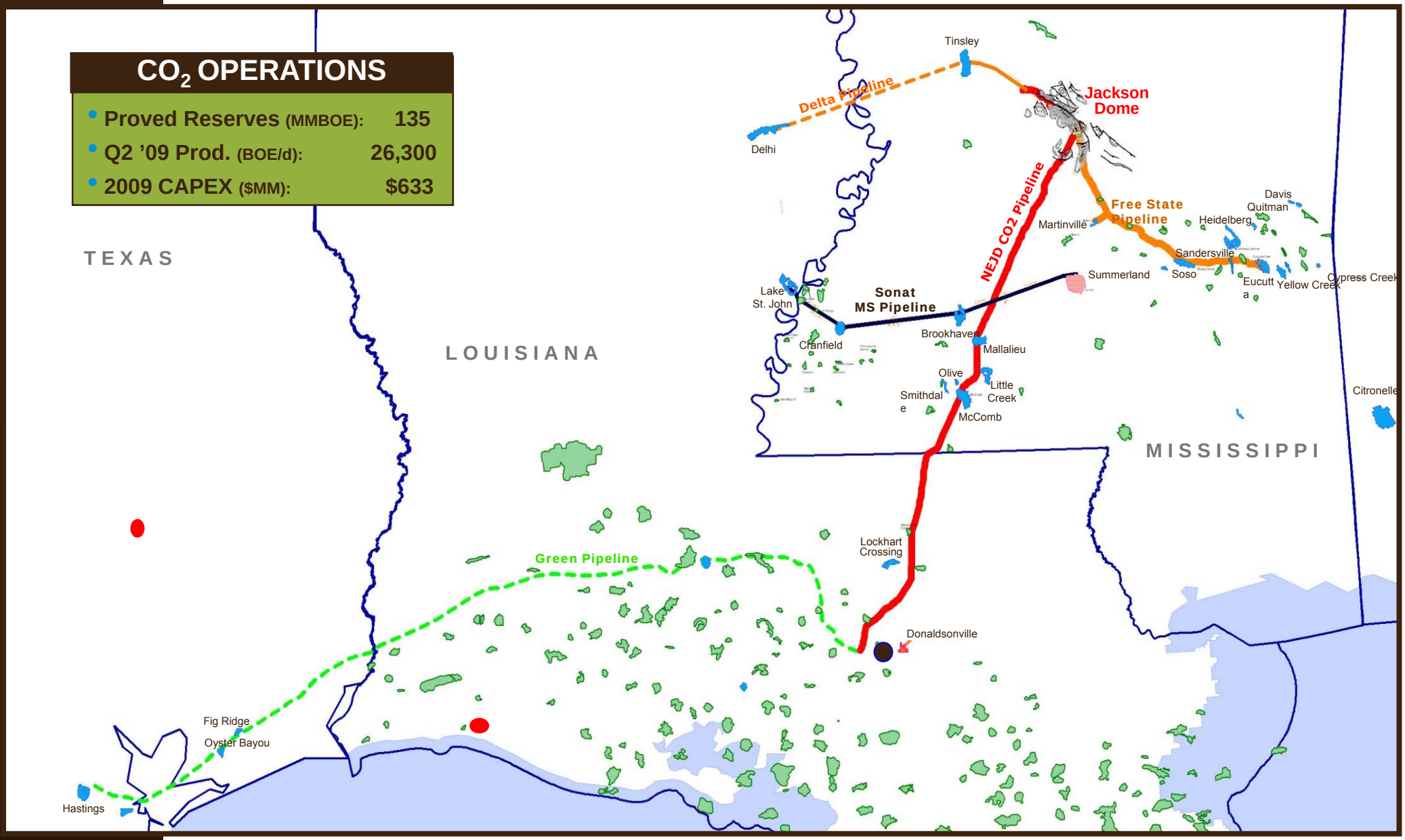
(2) 3P total reserves as of 12/31/09, based on a variety of recovery factors.

(3) Elk Basin is currently owned by ENP.

# Gulf Coast $CO_2$ Projects

## $CO_2$ OPERATIONS

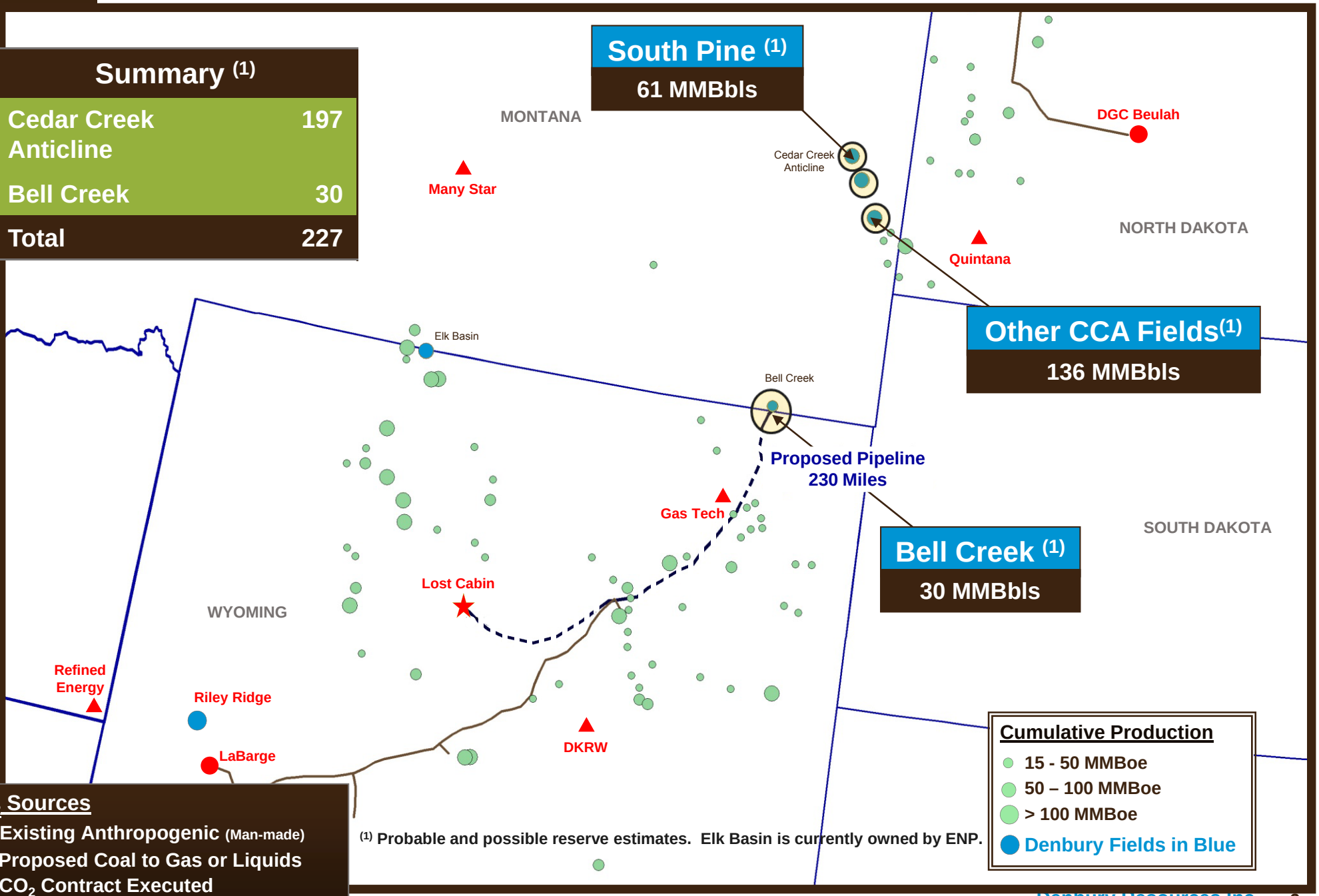
- Proved Reserves (MMBOE): 135
- Q2 '09 Prod. (BOE/d): 26,300
- 2009 CAPEX ($MM): $633




(1) Proved plus probable tertiary oil reserves as of 12/31/08, including past production, based on a range of recovery factors. Hastings Field was purchased 2/2/09.

# Rockies $CO_2$ Projects

| Summary (1) | |
|---|---|
| Cedar Creek Anticline | 197 |
| Bell Creek | 30 |
| Total | 227 |

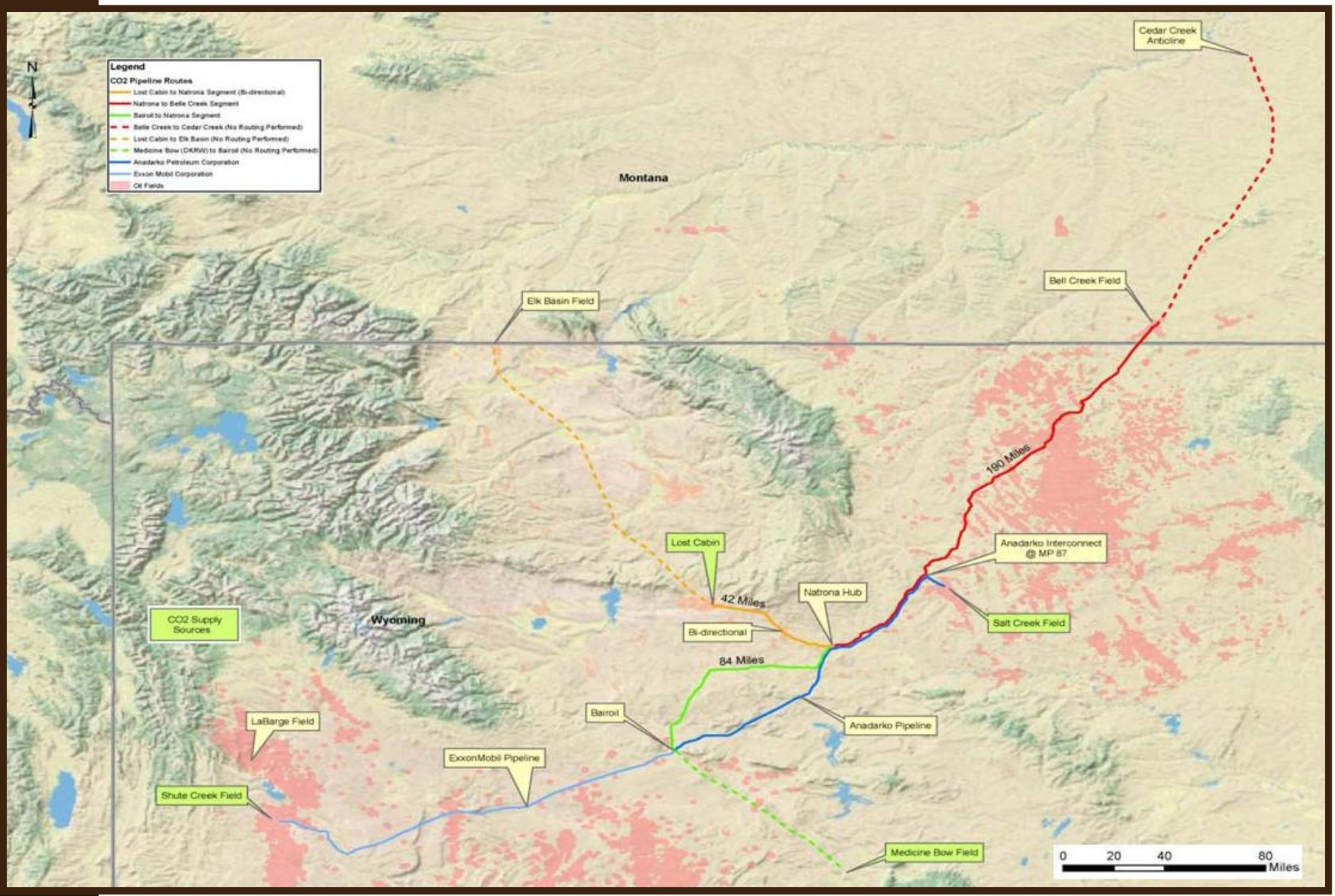



**$CO_2$ Sources**

- Existing Anthropogenic (Man-made)
- Proposed Coal to Gas or Liquids
- $CO_2$ Contract Executed

(1) Probable and possible reserve estimates. Elk Basin is currently owned by ENP.

# $CO_2$ System/Sources of Supply Map



# Greencore Pipeline System

- **Mainline Length …… 232 miles**
- **Size ……..... 20” 900#ANSI**
- **Design Pressure ……... 2,020 psig @ 100 F**
- **Line Pipe – Mainline ……... X-70 - .441 w.t.**
- **Line Pipe – Major Crossings …… X-65 - .580 w.t.**
- **Line Pipe – Minor Crossings …… X-70 - .529 w.t.**
- **Initial Capacity …… 50 MMCFD**
- **Ultimate Capacity …… 725 MMCFD**

# Project Schedules

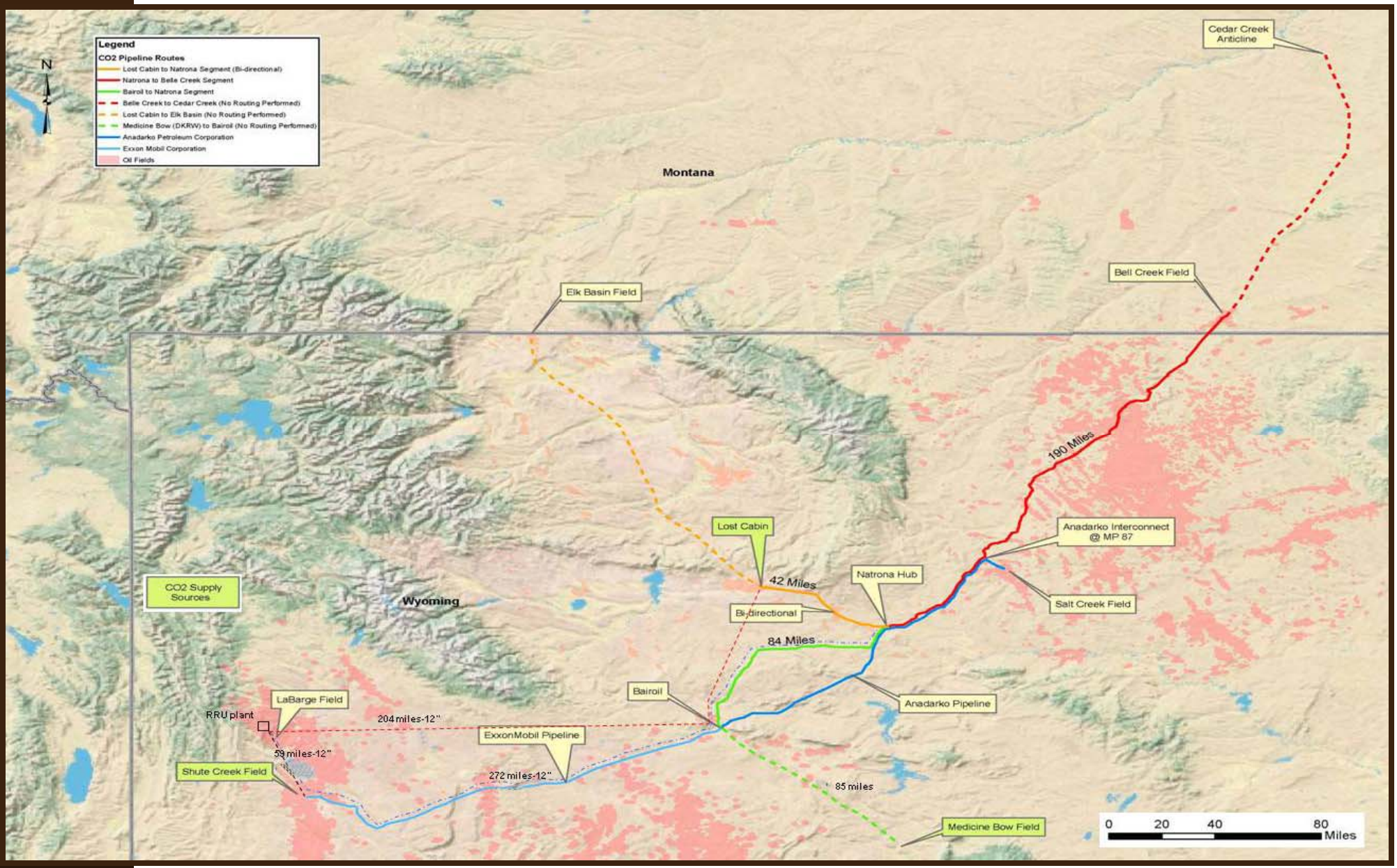
| | |
|---|---|
| Project Kick-off | August 2009 |
| Preliminary Engineering/Routing | August 2009 – June 2010 |
| NEPA Permitting | August 2009 – March 2011 |
| Right-of-way | March 2010 – April 2011 |
| Detail Engineering/Procurement | July 2010 – November 2012 |
| 2011 Pipeline Construction | August 2011 – December 2011 |
| 2012 Pipeline Construction | August 2012 – December 2012 |
| Start-up / Commissioning | December 2012 |

# ROW & Permitting Summaries

- **Right of Way Summary**
  - **Private Land** — **65%**
  - **Public Lands** — **30%**
  - **State Land** — **5%**

- **Permitting Summary**
  - **Federal NEPA (EA)** — **Casper BLM**
  - **Nationwide Permit 12** — **ACOE**
  - **State Environmental Permits** — **MDEQ / WYDEQ**
  - **Road Crossings** — **Federal / State / County**
  - **Railroad Crossings** — **BNSF**

# Greencore Pipeline



# Summary

- With the recent encore merger, we have positioned the Company to become a major $CO_2$ EOR operator in the Rocky Mountains
- Denbury is committed to build a substantial $CO_2$ pipeline infrastructure in Wyoming
- $CO_2$ capture and enhanced oil recovery represents a win for emission controls and enhanced oil production
- The State of Wyoming will see positive economic benefits in the form of jobs, increased oil royalties, cleaner air and tax revenues.