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, drilling activity, completion of acquisitions or reserves or future production attributable to them, 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, helium 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, estimates of potential or recoverable reserves and anticipated production growth rates in our CO₂ models, or estimated production in 2013 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”, “preliminary”, “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, 2012 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 original oil in place, 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.
Outline

- Denbury Wyoming Operations Overview
- Grieve Field
  - Field Basics
  - Field History
  - Construction Update
  - Grieve Challenges
  - Summary
• DRI currently employs over 70 people in Wyoming
• Wyoming EOR Operations
  • Grieve
  • Hartzog Draw (future)
• CO2 Sources
  • Shute Creek (XOM operated)
  • Lost Cabin (COP operated)
  • Riley Ridge (DRI operated - future)
Our Two CO₂ EOR Target Areas: Up to 10 Billion Barrels Recoverable with CO₂ EOR

Denbury Rocky Mountain Region
331 Million 3P CO₂ EOR Barrels\(^{(2)}\)

Estimated 1.3 to 3.2 Billion Barrels Recoverable in Rocky Mountain Region\(^{(1)}\)

Denbury Gulf Coast Region
587 Million 3P CO₂ EOR Barrels\(^{(2)}\)

Estimated 3.4 to 7.5 Billion Barrels Recoverable in Gulf Coast Region\(^{(1)}\)

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\(^{(1)}\) Source: DOE 2005 and 2006 reports.

\(^{(2)}\) 3P tertiary oil reserve estimates based on year-end 12/31/12 SEC proved reserves, based on a variety of recovery factors, includes CCA acquisition that closed on 3/27/13.
• Zone of Interest – Muddy Sandstone
• Highly permeable sandstone
  • Average 220 md
  • Some areas possibly as high as 2 Darcys
• Reservoir thickness greater than 80’ in some areas
• Thick shales provide top, bottom, and lateral seals
Note: Not all wellbores shown are part of the current development plan.
Note: Not all wellbores shown are part of the current development plan.
History of Grieve Field

- 1954 – Field discovered by Forest Oil Corporation
- 1960 - Gas injection for pressure maintenance
- 1977 - Gas cap blow-down
  - Additional production wells drilled in gas cap
- 2011 – Denbury partnered with Elk Petroleum, Inc.
- 2012 – Existing equipment cleared off site and construction commenced on injection facilities
- 2013 – 1st CO2 injection (Q1 2013)
• Increase reservoir pressure from 500 psi $\rightarrow$ 3000 psi
• Optimize field development plan
• Construct production portion of test site and main recycle facility
• Complete flowline work and well work
• Bring electrical power to the site (existing power is not sufficient)
What are the components of a CO2 flood?

1. CO2 Capture
2. CO2 Transport
3. CO2 Enhanced Oil Recovery
   - Well work
   - Facilities
Before Construction

[Image of a construction site with various tanks and machinery]

Denbury
Environmentally Friendly

- Minimize disturbance: Re-use land that has already been disturbed
- Filed an Environmental Assessment (EA) to Federal Government
  - NEPA – National Environmental Policy Act
  - FONSI – Finding of No Significant Impact
    - Use existing ROWs
    - Follow existing roadways with new pipelines
    - Build facilities on existing sites
During Construction
During Construction
During Construction

Pipeline right-of-ways are inspected on a regular basis
Field Production and Injection Pipeline Details

- Materials: Zap-lok pipe
During Construction
During Construction
Field Production and Injection Pipeline Details

• Pressure: Can operate at up to 3200 psi
  • Pressure tested before put into operation to 1.25 times the maximum allowable working pressure
• Internal corrosion resistance: All pipe is internally coated
Field Production and Injection Pipeline Details
• External corrosion resistance: All pipe is externally coated with Fusion Bonded Epoxy (FBE) Coating
During Construction
During Construction
During Construction
During Construction
Post Construction – Test Site
Post Construction – Test Site
Air Quality Alarms

- Normal conditions = six air changes per hour
- If air quality alarm is activated, ventilation system stays on until alarm is cleared
- Audible Alarm
- Visual Alarms
  - Red = High Methane
  - Blue = Low O2
  - Orange = High H2S
  - White = operational alarm (not air quality)
Post Construction – Test Site
Post Construction – Test Site
Questions for future development:

- Corrosion inhibition chemicals vs. internally coated pipe/equipment
- Dehydrated CO2 compression vs. DRI way

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Water Content of CO2 vs. Methane at a Constant Temperature

- Pure CO2
- 94.69% CO2
- 5.31% CH4
- Pure CH4

Pressure ➔ Increasing

Water Content ➔ Increasing
Questions for future development:

- Corrosion inhibition chemicals vs. internally coated pipe/equipment
- Dehydrated compression vs. standard compression
- Plant automation vs. staffing
- Pre-fabricated tanks vs. on-site build-out
- Skidded equipment vs. concrete foundations
- Downhole pressure vs. surface compression
- Minimizing steel usage within facilities
- Contractor recommendations

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Grieve Challenges
Grieve Challenges

- Winter weather
Grieve Wind Speed History
2005-2012

Wind Speed, mph

- Avg Wind Speed
- Max Sustained Winds
- Max Gust

Tropical Storm

Hurricane – Category 1

Gulf Coast Average Wind Speeds

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
Grieve Temperature History
2005-2012

Gulf Coast Average Temperatures

Temperature, °F

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

Avg Temp
Min Temp
Grieve Challenges – Winter Weather

- Fog: 25 days/year
- Rain: 55 days/year
- Thunder: 22 days/year
- Snow: 48 days/year
  - Average snow depth: 2.6 inches
• Winter weather
• Sage Grouse
  • Grieve Field is in Natrona “Core Area”
  • New construction prohibited from 3/15-7/1
• Raptors - birds of prey
• 2011 - Acquired interest in Grieve
• High perm sandstone
• Completed: Injection portion of test site
• Moving forward: increase reservoir pressure and install production facilities
• Challenges: winter weather, sage grouse restrictions