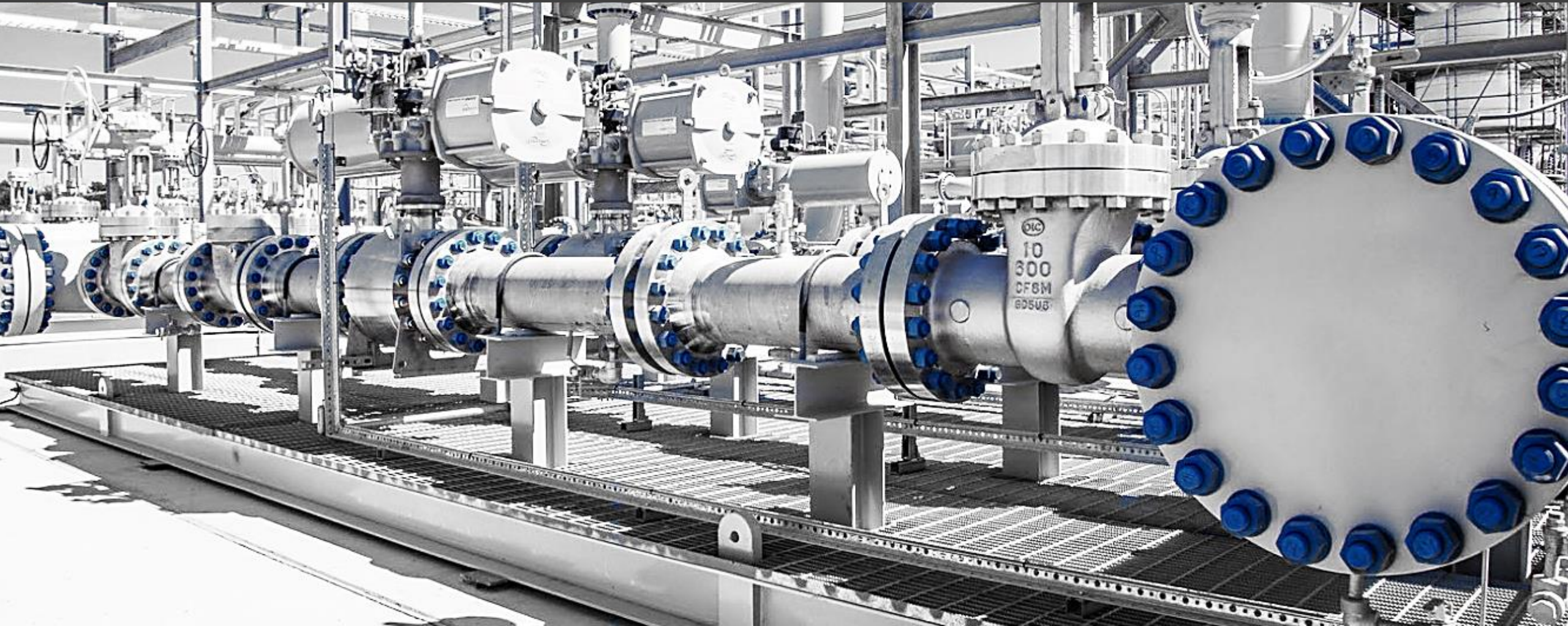


# PCOR Annual Membership Meeting

October 26, 2017



[www.denbury.com](http://www.denbury.com) | NYSE: DNR



# Cautionary Statements






*Forward-Looking Statements:* The data and/or statements contained in this presentation that are not historical facts are forward-looking statements, as that term is defined in Section 21E of the Securities Exchange Act of 1934, as amended, that involve a number of risks and uncertainties. Such forward-looking statements may be or may concern, among other things, financial forecasts, future hydrocarbon prices and timing and degree of any price recovery versus the length or severity of the current commodity price downturn, current or future liquidity sources or their adequacy to support our anticipated future activities, our ability to further reduce our debt levels, possible future write-downs of oil and natural gas reserves, together with assumptions based on current and projected oil and gas prices and oilfield costs, current or future expectations or estimations of our cash flows, availability of capital, borrowing capacity, future interest rates, availability of advantageous commodity derivative contracts or the predicted cash flow benefits therefrom, forecasted capital expenditures, drilling activity or methods, including the timing and location thereof, closing of proposed asset sales or the timing or proceeds thereof, estimated timing of commencement of carbon dioxide (CO<sub>2</sub>) flooding of particular fields or areas, likelihood of completion of to-be-constructed industrial plants and the initial date of capture of CO<sub>2</sub> from such plants, timing of CO<sub>2</sub> injections and initial production responses in tertiary flooding projects, acquisition plans and proposals and dispositions, development activities, finding costs, anticipated future cost savings, capital budgets, interpretation or prediction of formation details, production rates and volumes or forecasts thereof, hydrocarbon reserve quantities and values, CO<sub>2</sub> reserves and supply and their availability, potential reserves, barrels or percentages of recoverable original oil in place, potential increases in regional or worldwide tariffs or other trade restrictions, the likelihood, timing and impact of increased interest rates, the impact of regulatory rulings or changes, anticipated outcomes of pending litigation, prospective legislation affecting the oil and gas industry, environmental regulations, mark-to-market values, competition, long-term forecasts of production, rates of return, estimated costs, changes in costs, future capital expenditures and overall economics, worldwide economic conditions and other variables surrounding our estimated original oil in place, operations and future plans. Such forward-looking statements generally are accompanied by words such as “plan,” “estimate,” “expect,” “predict,” “forecast,” “to our knowledge,” “anticipate,” “projected,” “preliminary,” “should,” “assume,” “believe,” “may” or other words that convey, or are intended to convey, the uncertainty of future events or outcomes. Such forward-looking information is based upon management’s current plans, expectations, estimates, and assumptions and is subject to a number of risks and uncertainties that could significantly and adversely affect current plans, anticipated actions, the timing of such actions and our financial condition and results of operations. As a consequence, actual results may differ materially from expectations, estimates or assumptions expressed in or implied by any forward-looking statements made by us or on our behalf. Among the factors that could cause actual results to differ materially are fluctuations in worldwide oil prices or in U.S. oil prices and consequently in the prices received or demand for our oil and natural gas; decisions as to production levels and/or pricing by OPEC in future periods; levels of future capital expenditures; effects of our indebtedness; success of our risk management techniques; inaccurate cost estimates; availability of credit in the commercial banking market, fluctuations in the prices of goods and services; the uncertainty of drilling results and reserve estimates; operating hazards and remediation costs; disruption of operations and damages from well incidents, hurricanes, tropical storms, or forest fires; acquisition risks; requirements for capital or its availability; conditions in the worldwide financial, trade and credit markets; general economic conditions; competition; government regulations, including changes in tax or environmental laws or regulations; and unexpected delays, as well as the risks and uncertainties inherent in oil and gas drilling and production activities or that are otherwise discussed in this presentation, including, without limitation, the portions referenced above, and the uncertainties set forth from time to time in our other public reports, filings and public statements including, without limitation, the Company’s most recent Form 10-K.

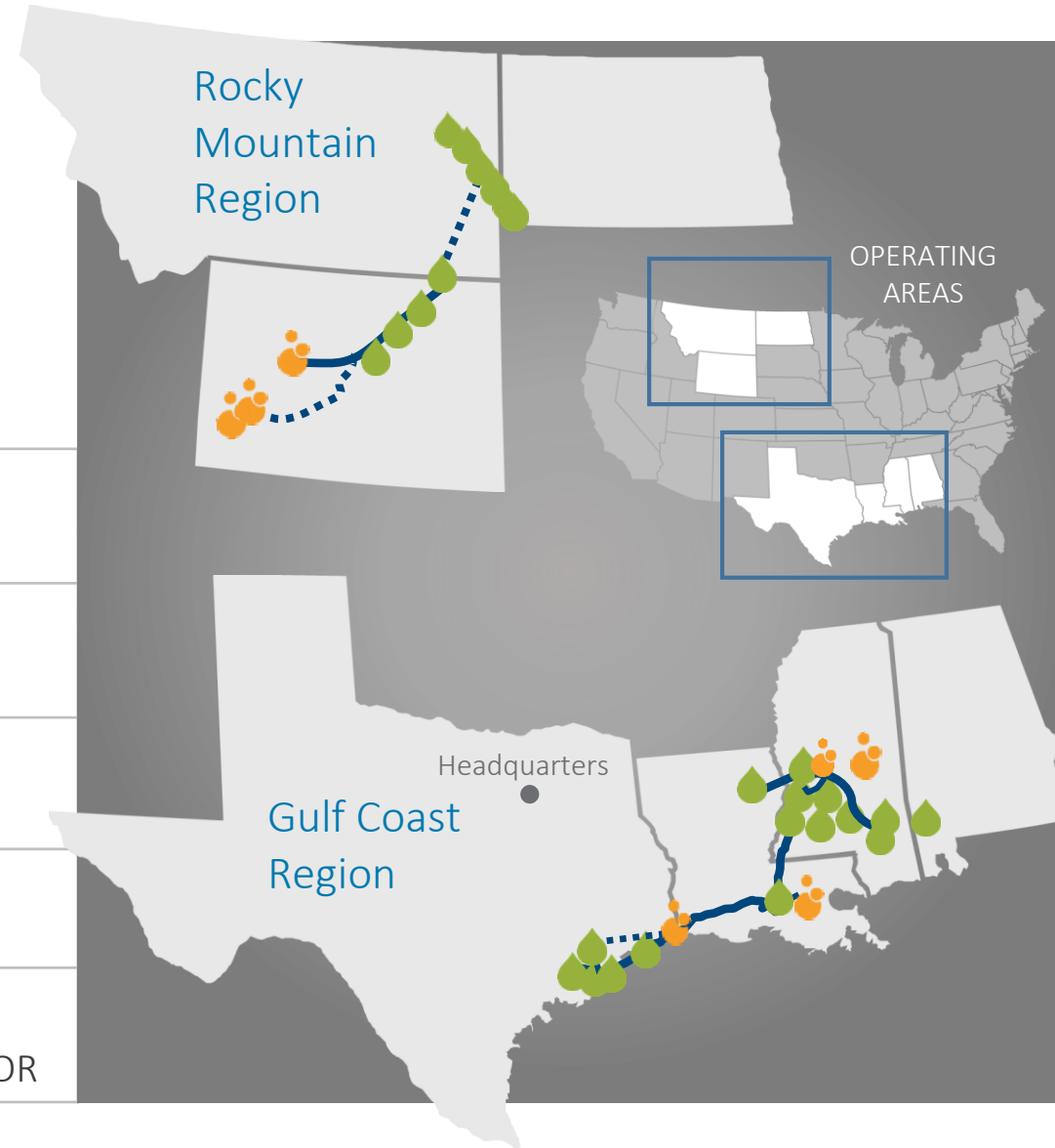
*Note to U.S. Investors:* Current SEC rules regarding oil and gas reserves information allow oil and gas companies to disclose in filings with the SEC not only proved reserves, but also probable and possible reserves that meet the SEC’s definitions of such terms. We disclose only proved reserves in our filings with the SEC. Denbury’s proved reserves as of December 31, 2015 and December 31, 2016 were estimated by DeGolyer and MacNaughton, an independent petroleum engineering firm. In this presentation, we may make reference to probable and possible reserves, some of which have been estimated by our independent engineers and some of which have been estimated by Denbury’s internal staff of engineers. In this presentation, we also may refer to estimates of original oil in place, resource or reserves “potential,” barrels recoverable, 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 resources 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

- Core focus: CO<sub>2</sub> enhanced oil recovery (“CO<sub>2</sub> EOR”)
- Uniquely long-lived & lower-risk assets with extraordinary resource potential
- CO<sub>2</sub> supply and infrastructure provides our strategic advantage
- *“We bring old oil fields back to life!”*

Reserves YE 2016		<ul style="list-style-type: none"><li>• Proved: 254 MMBOE (58% CO<sub>2</sub> EOR, 97% Oil)</li><li>• Proved + EOR Potential: ~900 MMBOE</li></ul>
CO <sub>2</sub> Supply		<ul style="list-style-type: none"><li>• Proved Reserves: 6.5 Tcf</li><li>• Plus significant quantities of industrial-sourced CO<sub>2</sub></li></ul>
Production 2Q17		<ul style="list-style-type: none"><li>• 59,774 BOE/d (61% CO<sub>2</sub> EOR, 97% Oil)</li></ul>
CO <sub>2</sub> Pipelines		<ul style="list-style-type: none"><li>• &gt;1,100 miles</li></ul>
Experience		<ul style="list-style-type: none"><li>• Nearly 2 decades of CO<sub>2</sub> EOR Production</li><li>• Produced over 155 million gross barrels from CO<sub>2</sub> EOR</li></ul>



# Rocky Mountain Region

## Control of CO<sub>2</sub> Sources & Pipeline Infrastructure Provides a Strategic Advantage

Reserves Summary <sup>(1)</sup>	
<b>Tertiary Reserves:</b>	
Proved	36
Potential	349
<b>Non-Tertiary Reserves:</b>	
Proved	84
<b>Total MMBOE<sup>(2)</sup></b>	<b>469</b>

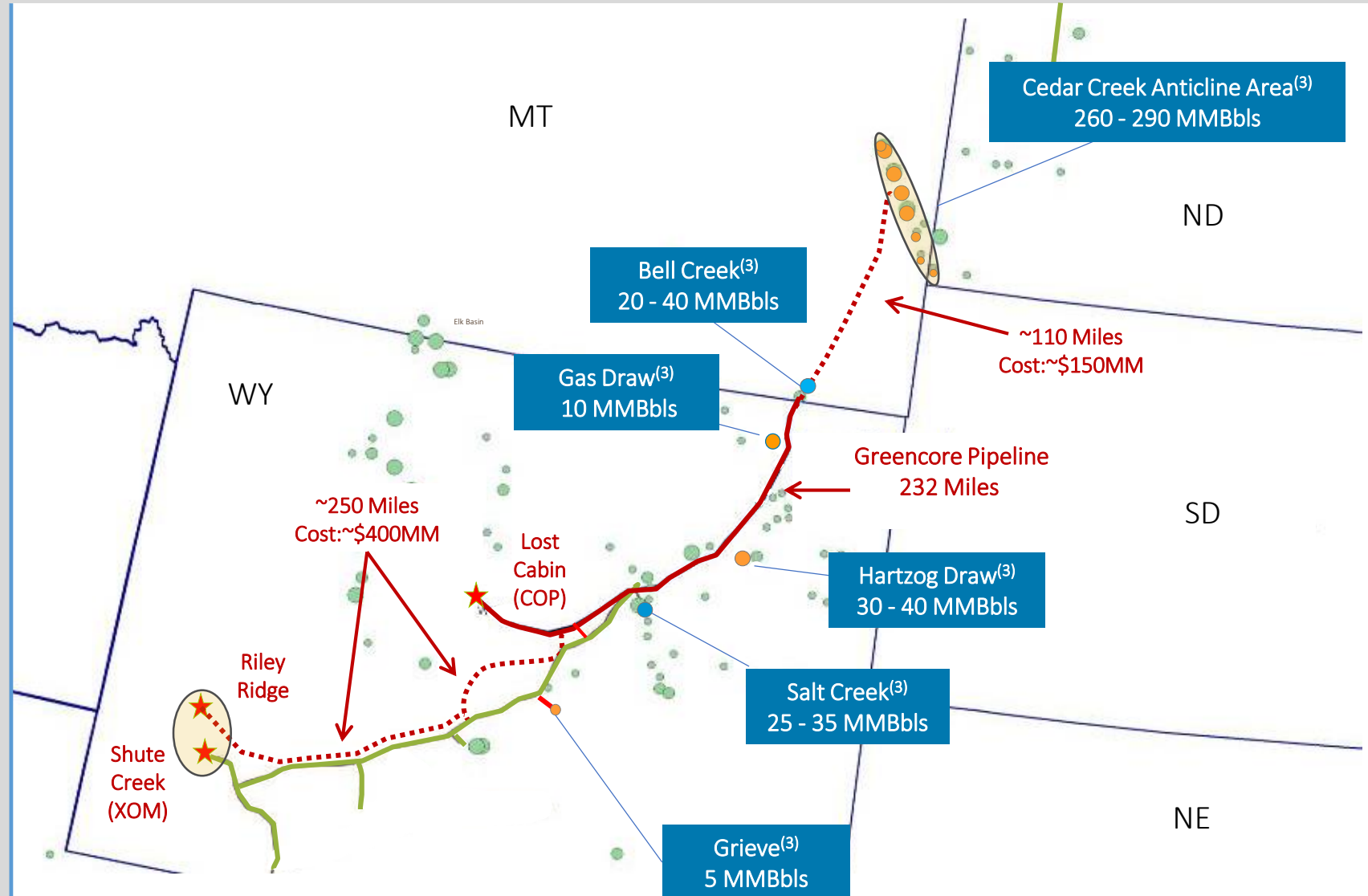
### Pipelines & CO<sub>2</sub> Sources

- Denbury Pipelines
- - - Denbury Planned Pipelines
- Pipelines Owned by Others
- ★ Existing or Proposed CO<sub>2</sub> Source - Owned or Contracted

### Cumulative Production

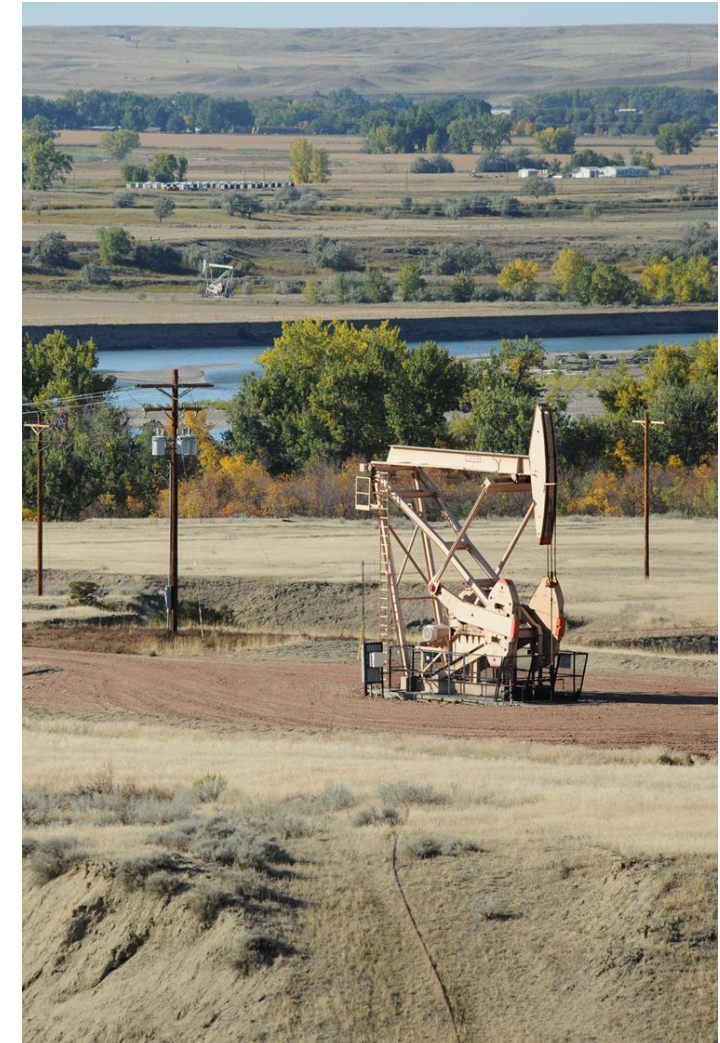
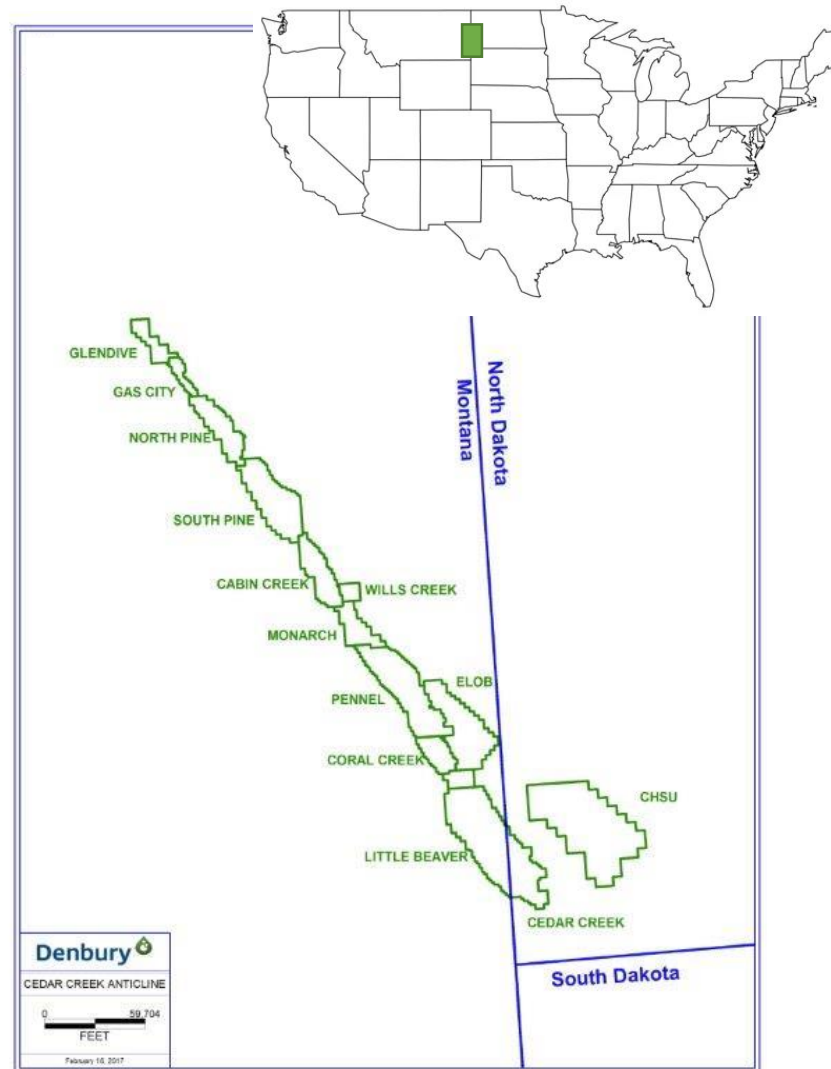
- 15 – 50 MMBOE
- 50 – 100 MMBOE
- > 100 MMBOE
- Denbury Owned Fields – Current CO<sub>2</sub> Floods
- Denbury Owned Fields – Potential CO<sub>2</sub> Floods
- Fields Owned by Others – CO<sub>2</sub> EOR Candidates

- 1) Proved tertiary and non-tertiary oil and natural gas reserves based upon year-end 12/31/16 SEC pricing, plus ~17 MMBbbls of proved tertiary reserves at Salt Creek, estimated as of 6/30/17. Potential includes probable and possible tertiary reserves estimated by the Company as of 12/31/16 (with the exception of Salt Creek, estimated as of 6/30/17), using the mid-point of ranges, based upon a variety of recovery factors and long-term oil price assumptions, which also may include estimates of resources that do not rise to the standards of possible reserves. See slide 2, "Cautionary Statements" for additional information.
- 2) Total reserves in this table represent total proved plus potential tertiary reserves, using the mid-point of ranges, plus proved non-tertiary reserves, but excluding additional potential related to non-tertiary exploitation opportunities.
- 3) Field reserves shown are estimated proved plus potential tertiary reserves.



# Cedar Creek Anticline

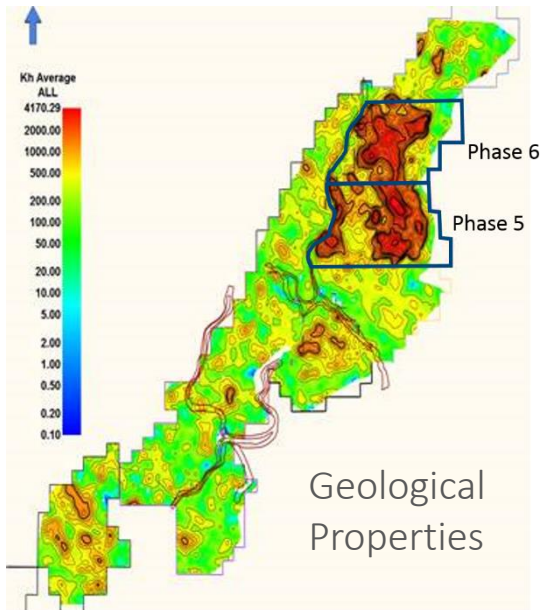
- **Steady Production Profile:**
  - Production: over 15,000 BBls/d, net to Denbury, in 1H17
- **Large Resource:**
  - Est. Potential Tertiary Reserves: 260 – 290 MMBbls (net to Denbury)<sup>(1)</sup>
  - Original Oil in Place (OOIP): ~5,000 MMBO



(1) See slide 2, “Cautionary Statements” for additional information.



# Bell Creek Phases 5 & 6 Development



Phases 5 & 6 have the best geological properties of the Bell Creek flood

Larger EOR target than first four phases combined

Increased pattern spacing improves capital efficiency

## Phase 5

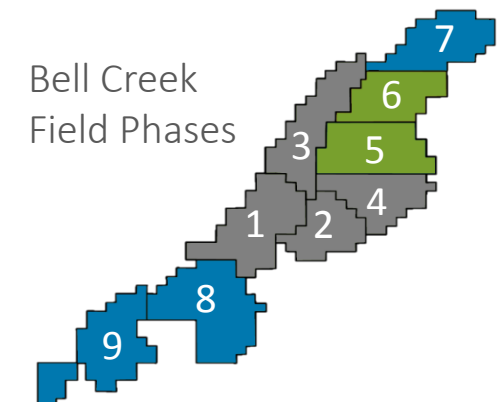
- Completed ahead of scheduled Sept 2017 target, and under budget (~\$16MM)
- Development costs <\$5/Bbl
- First production response expected by end of 2017
- Anticipated IRR ~50% @ \$50/Bbl oil

## Phase 6

- Construction scheduled to begin in 2018 as a continuation of Phase 5 development

### Bell Creek Development

	Existing Development (phases 1-4)
	Planned 2017 & 2018 Development
	Future Development Potential



# Grieve Field EOR Facility Construction In Progress

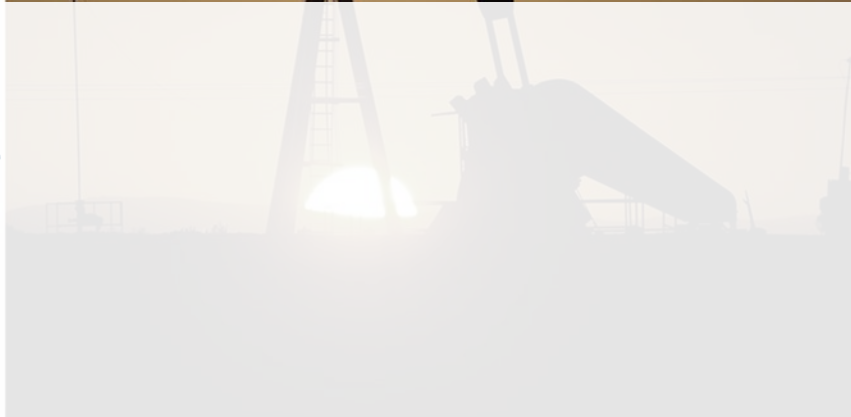
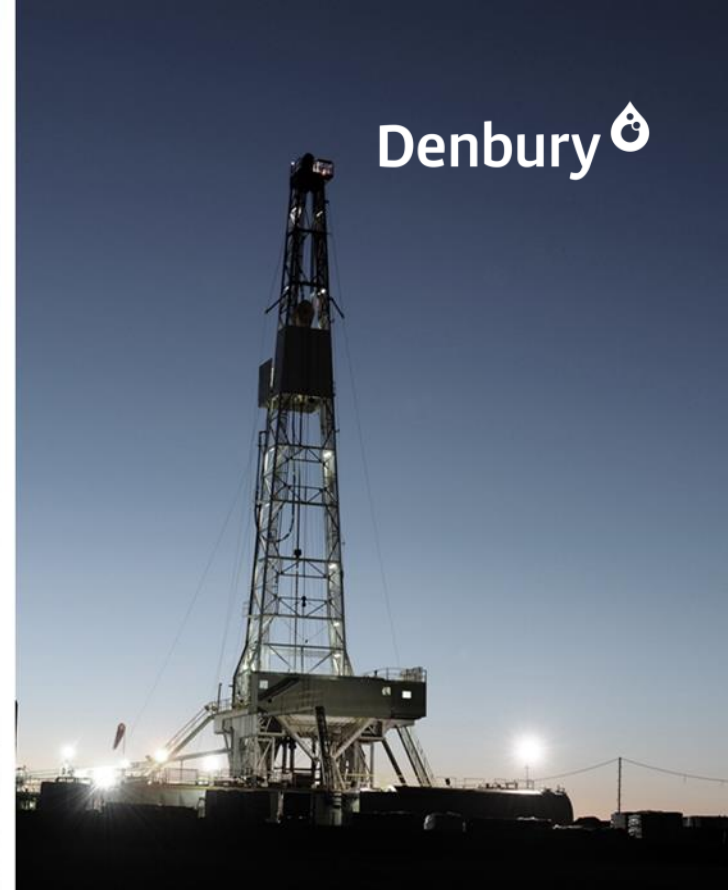


- 34 miles west of Casper, WY
- 1<sup>st</sup> production expected mid-2018
  - Pre-installation of injection system has field fully pressurized with CO<sub>2</sub>
- Est. Potential Tertiary Reserves: 11 MMBbls (8/8ths)<sup>(1)</sup>

(1) See slide 2, "Cautionary Statements" for additional information.







# The 2018 Oil Picture





# World Economy:

## Growth Expected to Continue

REAL GDP GROWTH BY ECONOMIC GROUPING  
Average annual growth rate: 2012-2016 and 2017-2022 Forecast



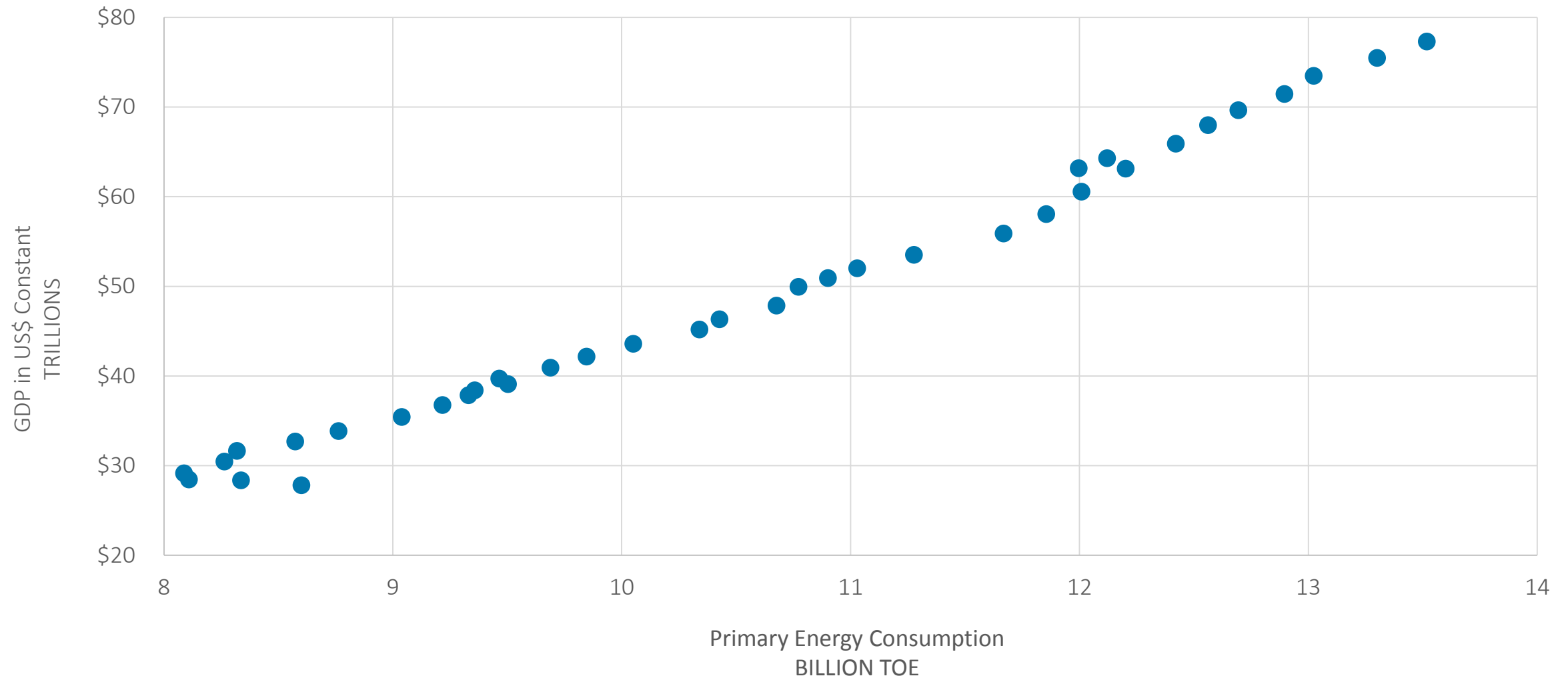
1) ASEAN-5 = Indonesia, Malaysia, Philippines, Thailand and Vietnam.

2) Composed of 19 economies in Europe: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovak Republic, Slovenia and Spain

3) Source: World Economic Outlook Database, October 2017

# World Economy:

## The Relationship Between Energy and Economic Growth 1980 - 2016

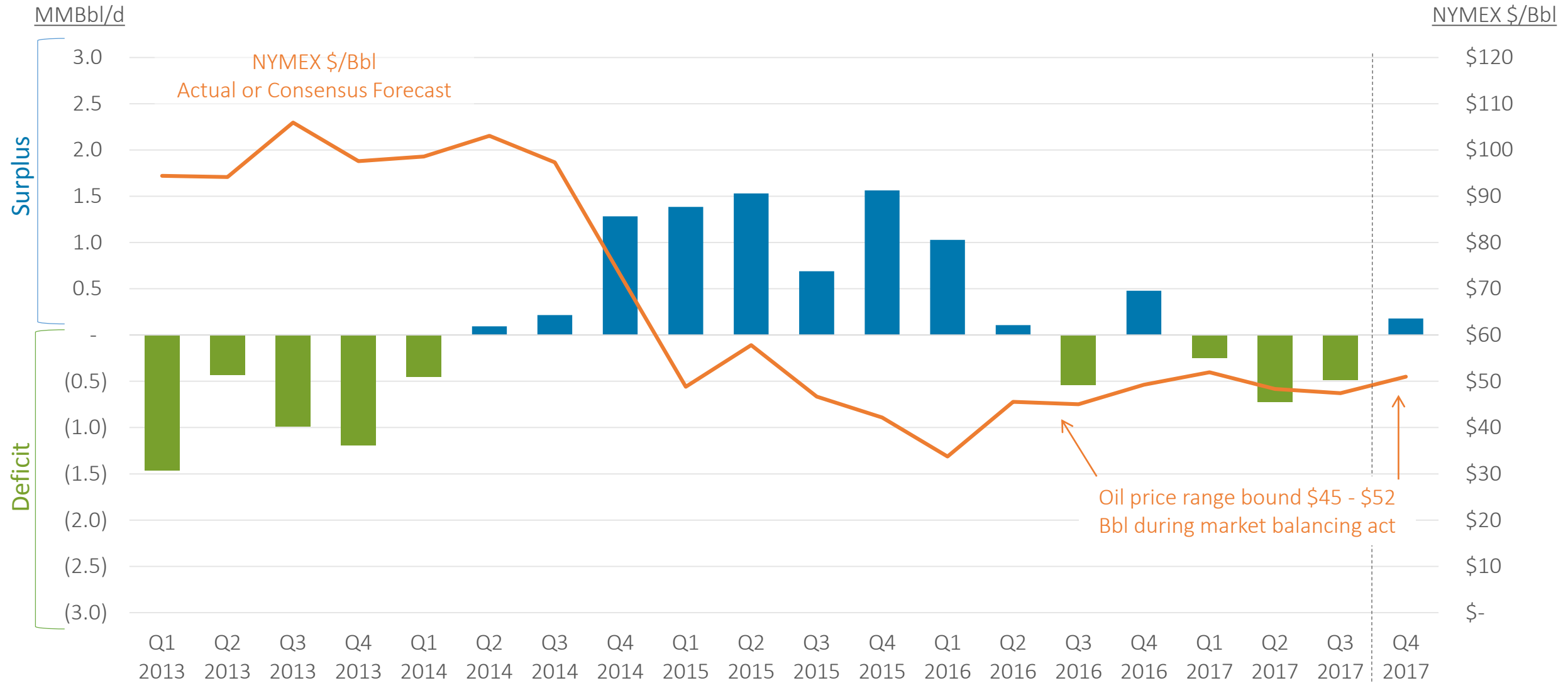


NOTE: 1 tonne of oil equivalent (TOE) = ~7.14 barrels of oil equivalent (BOE)



# World Economy:

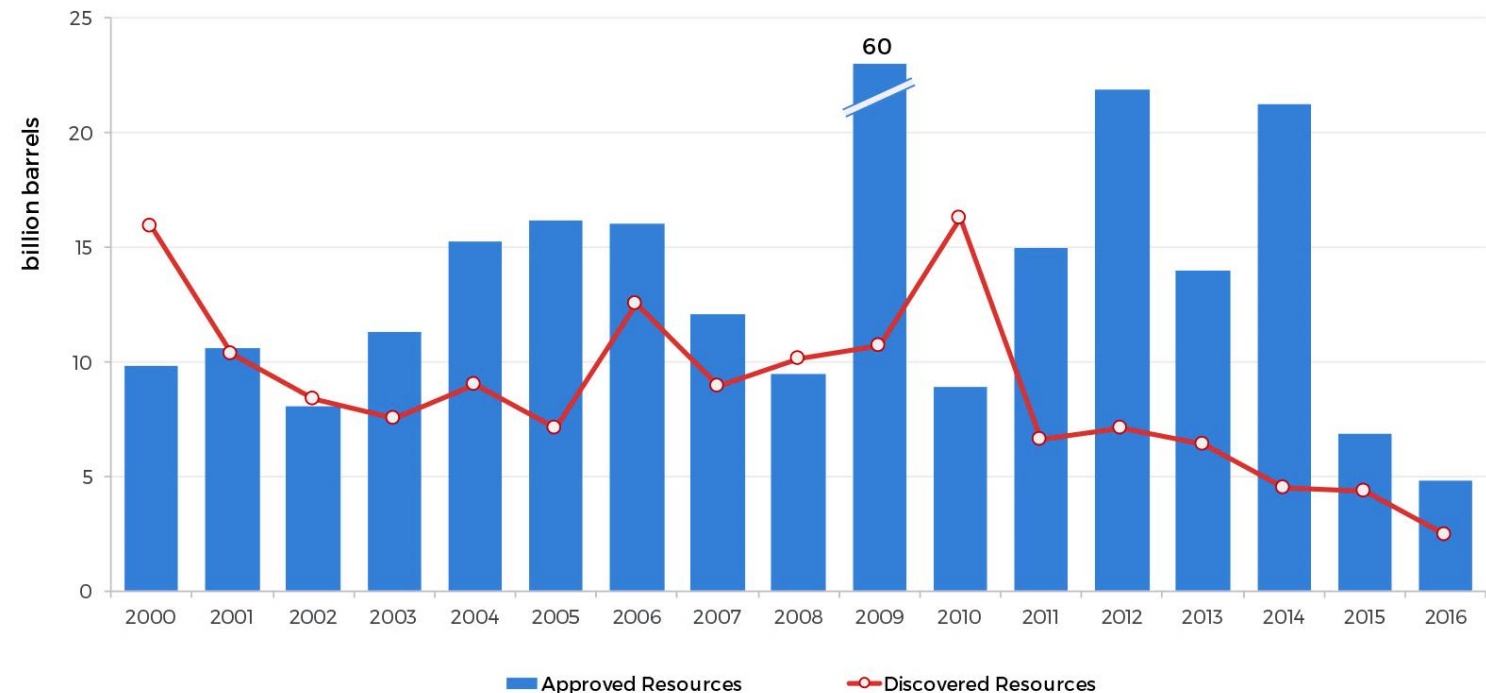
## Global Oil Supply & Demand Balancing Act



## Conventional crude oil resources discovered & sanctioned by year

Global oil discoveries fell to a record low in 2016 as companies continued to cut spending and conventional oil projects sanctioned were at the lowest level in more than 70 years.

Modest global investment increase of 3% in 2017 largely due to US shale investments.



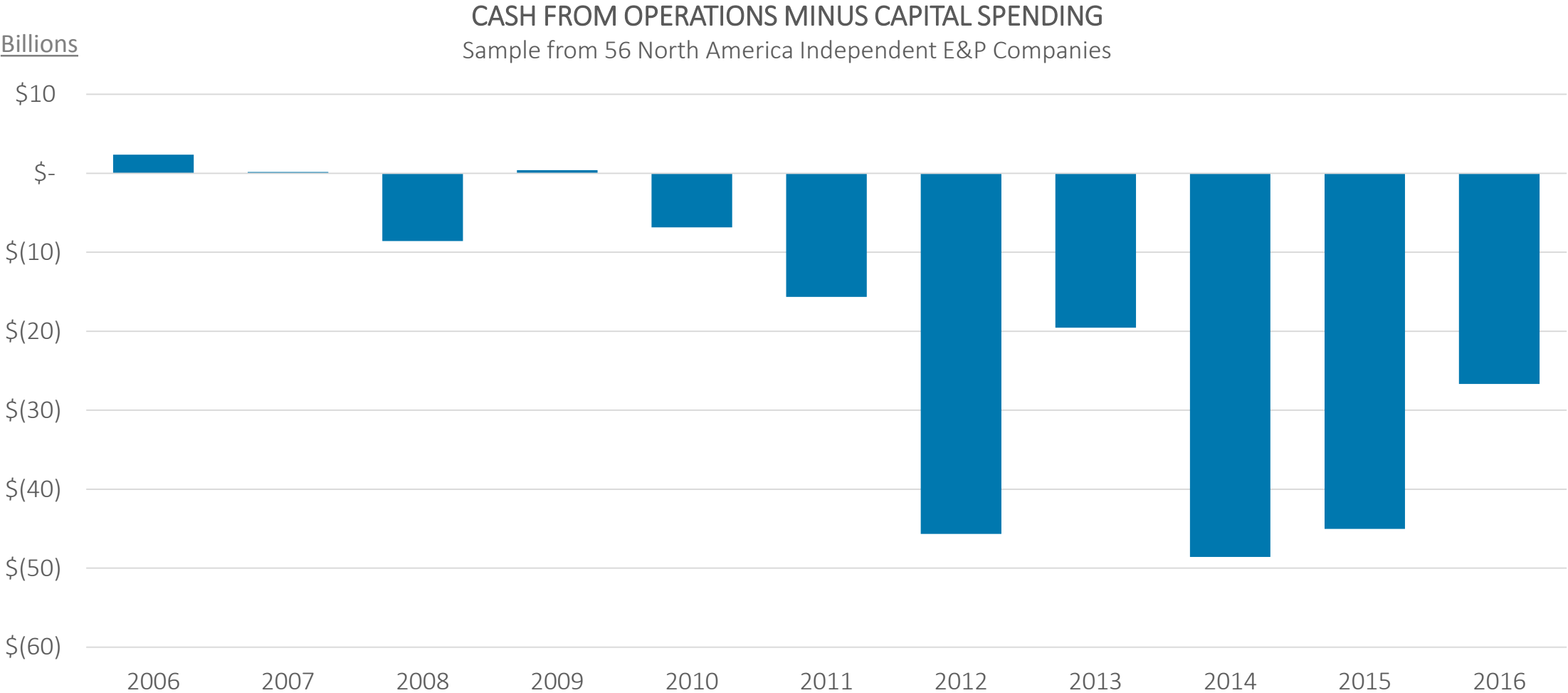
IEA Analysis on Rystad data





# Outspending to Grow Production

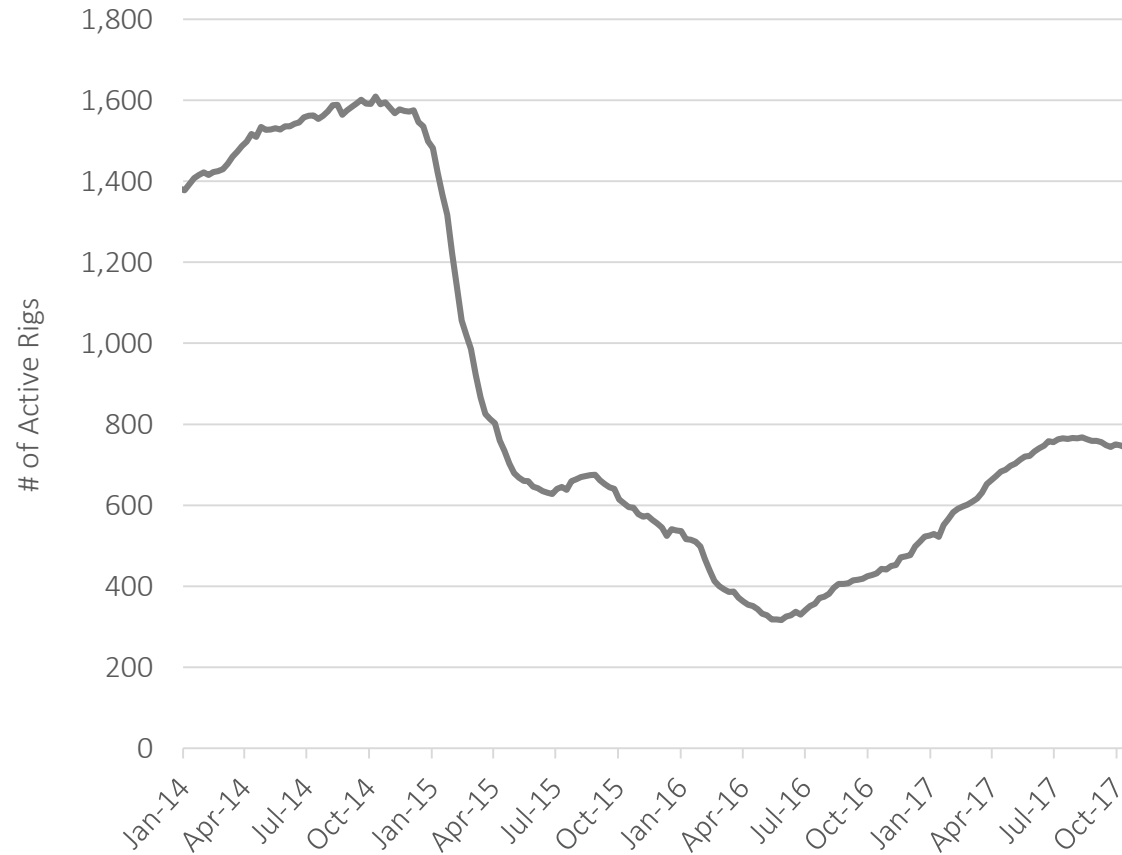
No Longer Rewarded by Investors



Source: Bloomberg  
Capital spending excludes acquisitions & divestitures

# Signs of Discipline in US Oil Activity

## US ACTIVE OIL RIG COUNT



## US LOWER 48 OIL PRODUCTION



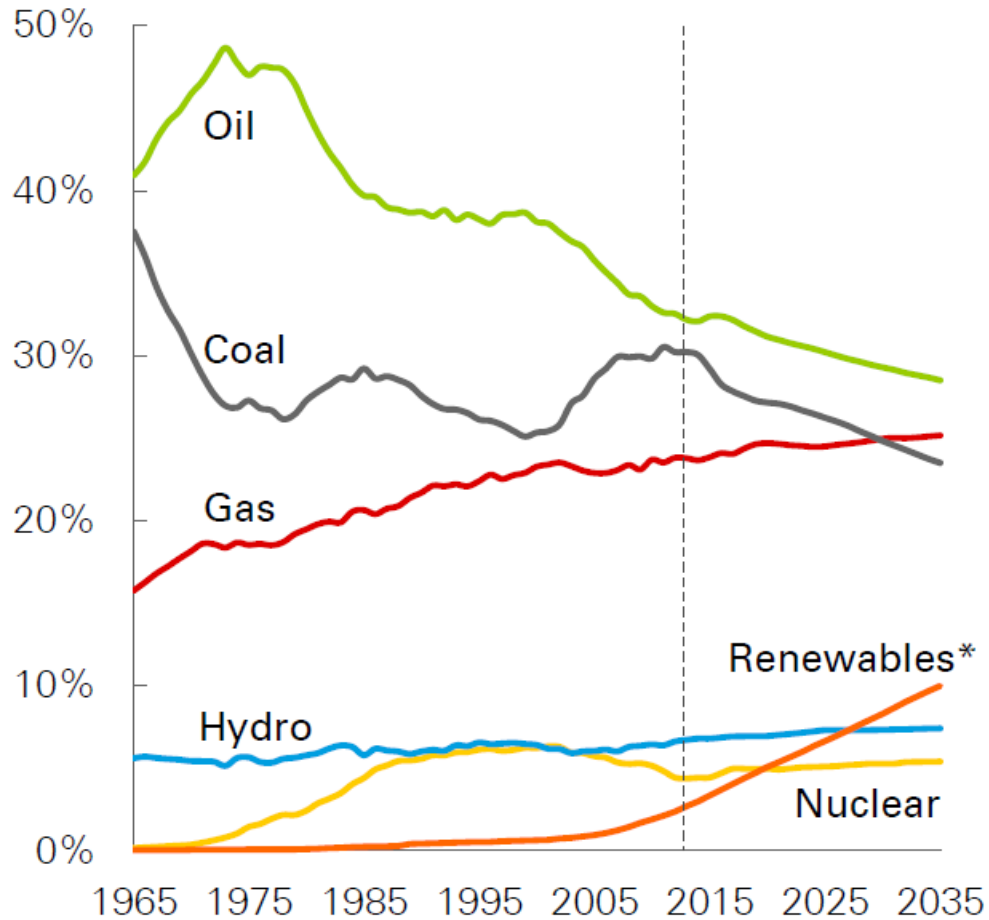
Source: Bloomberg

NYSE: DNR

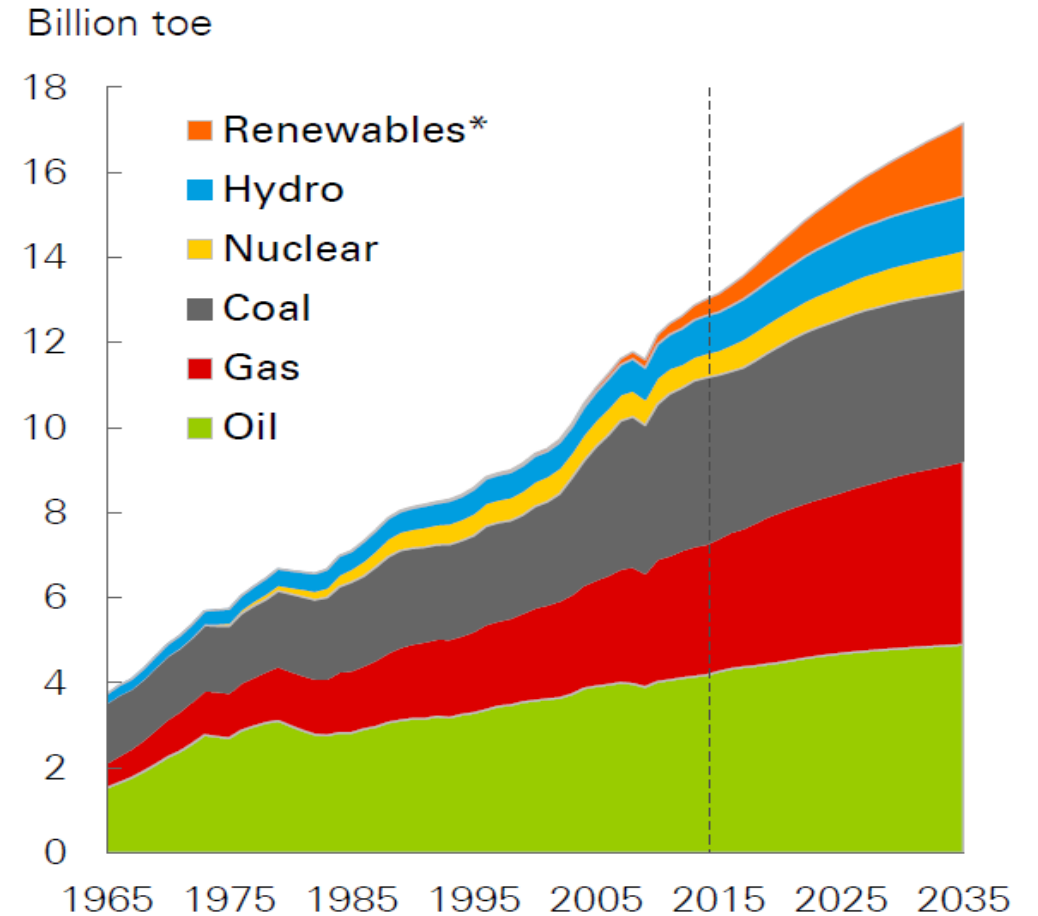


# The Worldwide Energy Mix

SHARES OF PRIMARY ENERGY



PRIMARY ENERGY CONSUMPTION BY FUEL



Source: BP 2017 Energy Outlook

\*Renewables include wind, solar, geothermal, biomass and biofuels

NYSE: DNR

- The world is highly likely to need ever-increasing volumes of oil production for at least the next two decades
- EOR fields
  - are long lived, low decline, and typically generate free cash flow
  - are in established producing areas, living within existing development boundaries
  - provide a great balance of providing the oil the world needs, with the lowest possible carbon footprint