

PRESS RELEASE

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NEW STUDY: FEDERAL ENERGY AND CLIMATE LEGISLATION COULD SLASH U.S. DEPENDENCE ON FOREIGN OIL-THROUGH ENHANCED OIL RECOVERY WITH CAPTURED CARBON EMISSIONS

Enhanced oil recovery is a key to greater energy security, increased domestic revenues and fewer carbon emissions; “Winner States” include Arkansas, California, Indiana, Illinois, Kansas, Louisiana, Montana, New Mexico, North Dakota, Oklahoma, Texas and Wyoming.

Note for editors: A recording of this ARI phone-based news event will be available on the Web as of 5 p.m. EST/4 P.M. CST on March 10, 2010 at <http://www.adv-res.com>.

HOUSTON & WASHINGTON (March 10, 2010) – The U.S. has a significant opportunity to increase its energy independence, slash foreign oil imports by as much as half by 2030, and cut carbon emissions through a process known as enhanced oil recovery (EOR) with carbon capture and storage (CCS), according to new analysis by Advanced Resources International (ARI). EOR with CCS would help drive domestic economic growth and increase U.S. oil reserves. Clean energy and climate legislation that is being considered in the U.S. Congress is projected to lead to large volumes of captured CO₂ from power plants and other industrial sites, sufficient to fully develop oil recovery potential in existing U.S. oil fields.

“Using CO₂ to enhance oil recovery is neither a new nor an exotic technology. There is no doubt that a large market exists for CO₂ emissions captured from industrial sources and power plants for expanding domestic oil production,” said Mr. Tracy Evans, President, Denbury Resources Inc., a leader in CO₂-enhanced oil recovery in the Southeast and Northwest. “The single largest deterrent to expanding production from CO₂-EOR today is the lack of large volumes of reliable and affordable CO₂.”

The report finds that carbon capture stimulated by federal clean energy and climate legislation could boost U.S. oil production between 3 to 3.6 million barrels per day, cutting imports of crude oil up to 40 percent compared to today’s levels and up to 52 percent by 2030 (based on 2009 figures), depending on how much of the captured CO₂ is used for enhanced oil recovery purposes.

This CO₂-enhanced domestic oil production would help keep more than \$700 billion in the U.S. economy, employing tens of thousands American workers, while increasing state and Federal revenues between \$190 and \$210 billion.

In addition, the report shows that the U.S. can significantly cut and sequester carbon emissions by up to 530 million tons per year by 2030. This is the equivalent of taking 88 million cars off the road.

“For too long our nation’s energy policies have kept us tied to unfriendly countries in the Middle East and elsewhere that weakens our national security and puts our troops in harm’s way,” said Jon Powers, Chief Operating Officer (COO) of the Truman National Security Project and an Iraq War veteran. “Using carbon emissions to boost domestic oil production can be an important

step in dramatically increasing our energy independence, while simultaneously cutting the pollution that also threatens our climate.”

The clean energy and climate legislation that is pending in Congress would help to stimulate and support rapid deployment of carbon capture and storage in power generation and other industrial facilities that emit significant volumes of carbon dioxide.

"This is an important piece of the puzzle for reducing our dependence on foreign oil and cutting carbon emissions. With the right policies and investment in demonstrating EOR technologies, captured CO2 could be productively used to produce more domestic oil from existing oil fields," said Mr. Mike Godec, Vice President, Advanced Resources International. "These are benefits that should appeal to a broad range of politicians and business leaders - not to mention the general public that wants greater national security and more energy independence."

The new report indicates that the states that would benefit the most from CO2-EOR include: Arkansas, California, Indiana, Illinois, Kansas, Louisiana, Montana, New Mexico, North Dakota, Oklahoma, Texas and Wyoming.

For a full copy of the ARI report, go to <http://www.adv-res.com/unconventional-gas-literature.asp#EOR> on the Web.

Advanced Resources is a research and consulting firm providing services related to unconventional gas (coalbed methane - CBM, gas shales, tight sands), enhanced oil recovery (EOR), and carbon sequestration (CO2 sequestration). ARI's services bring together depth of experience, industry insights and analytic capabilities for the benefit of our worldwide clientele. Clients include major independent and national oil and gas companies, coal producers and utilities, technology and service providers, legal and financial firms, research organizations, consortia and academia, policy groups, and governments. For more information, visit <http://www.adv-res.com/>.

Denbury Resources Inc. (NYSE: DNR) is a growing independent oil and natural gas company. The Company is the largest oil and natural gas operator in Mississippi, owns the largest reserves of CO2 used for tertiary oil recovery east of the Mississippi River, and holds significant operating acreage in Louisiana, Alabama, and Southeast Texas. The Company's goal is to increase the value of acquired properties through tertiary recovery operations, combined with a combination of exploitation, drilling and proven engineering extraction practices. For more information, visit <http://www.denbury.com/>.

The Truman National Security Project is a national security leadership institute, the nation's only organization that recruits, trains, and positions a new generation of progressives across America to lead on national security. For more information, go to: www.trumanproject.org.