

West Hastings Field Unit



Reactivating and increasing oil production in mature oil fields results in increased revenue to the mineral owners; additional severance, ad valorem and sales tax revenues to the state and local governments; and job growth that benefits local economies.

Main Production Zone

- Frio, 5390' to 6840' in L.F. McKibben "A" No. 6

Discovery

- December 23, 1934, J.W. Surface No. 1

Unitization Date

- July 20, 1984

Major Milestones

- October 1958 East & West split by RRC
- CO₂ injection began in Dec.2010

Peak Production

- 75,000 BOPD in 1977

Cumulative Production

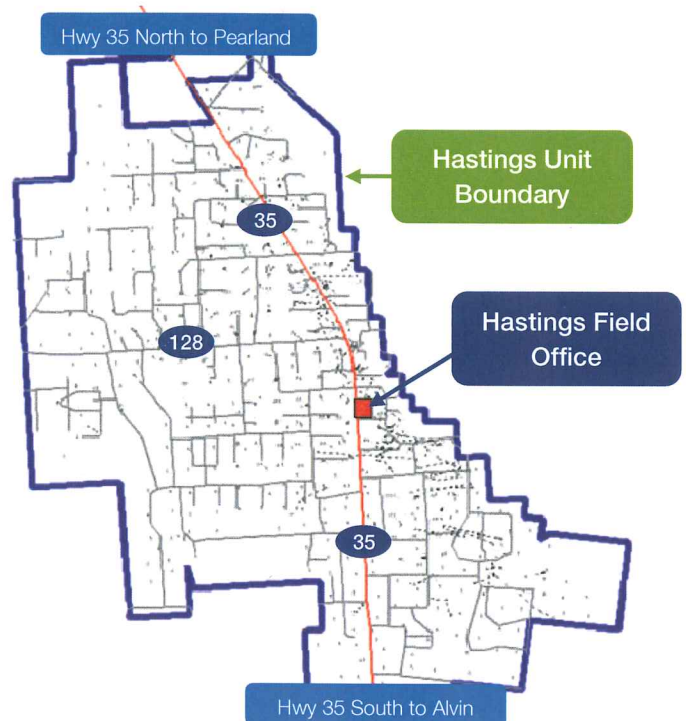
- 582 MMBO as of February 2011

Date Acquired by Denbury

- February 2009 from Venoco

Well Count

- 80 producers, 25 water injectors, 6 CO₂ injectors, 3 SWD



ABOUT DENBURY

Denbury Resources Inc. is a growing independent oil and gas company. The Company is the largest oil and natural gas producer in both Mississippi and Montana, owns the largest reserves of carbon dioxide (CO₂) used for tertiary oil recovery east of the Mississippi River, and holds significant operating acreage in the Rocky Mountain and Gulf Coast regions. The Company's goal is to increase the value of acquired properties through a combination of exploitation, drilling and proven engineering extraction practices, with its most significant emphasis relating to CO₂ tertiary recovery operations.

Denbury's primary corporate strategy and focus are aimed at developing significant stranded reserves of American oil from depleted reservoirs through CO₂ enhanced oil recovery (CO₂ EOR). In most U.S. oil fields, about 30% to 40% of the original oil in place is recoverable through primary and secondary methods, which can be increased to 50% to 60% with CO₂ EOR.

Denbury Corporate Headquarters

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FACTS ABOUT CO₂

- Colorless, odorless, and tasteless gas
- Non-flammable
- Non-toxic but can act as an asphyxiant in large amounts
- Also used to manufacture dry ice and carbonated drinks



**Know what's below.
Call before you dig.**

KNOW WHAT'S BELOW

Planting a tree, building a fence, installing a mailbox, swimming pool or any other work that requires digging? To help prevent accidents from occurring on your property, the law requires you to contact the local One-Call Center in your area at least 48 hours (and some-times 72 hours) before you plan to dig.

Now there is a national toll-free One-Call number that will help protect you from unintentionally hitting underground utility lines. It's easy to dial, simple to do, and best of all, it's **free**.

811 is the toll-free number you should call before you begin any digging project. When you dial 811, we will be contacted by the One-Call Center and we will send a representative to the site to mark the location of our pipeline on your property for free.

CO₂ EOR PROCESS

CO₂ injected into a reservoir through an injection well acts as a kind of super solvent as it passes through the oil reservoir. The CO₂ dissolves into the oil that it contacts, decreasing the oil's viscosity and surface tension, allowing the oil to be extracted through producing wells.

Our CO₂ EOR efforts have demonstrated our ability to recover on average an additional 17% of the original oil in place.

CO₂ Pipeline from Jackson Dome

Injection Well
Injects CO₂ in the
Dense Phase

Production Wells Produce Oil, Water and
CO₂ (CO₂ is later recycled)

CO₂ moves through formation
mixing with oil droplets, ex-
panding them and moving
them to production wells.

