DENBURY RESOURCES INC.
PRESS RELEASE

Denbury Resources Provides Guidance for 2003
Adds Additional 2004 Natural Gas Hedges

News Release
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DALLAS - (Business Wire) - December 11, 2002 - Denbury Resources Inc. (NYSE: DNR) ("Denbury" or the "Company") today announced certain operational and financial guidance for 2003, including an update on hedging activities.

Capital Expenditure Program

The Company has approved its 2003 development and exploration expenditures budget set at an estimated $130 million, excluding any potential acquisitions. Approximately one-third of the budget will be spent on projects relating to the Company's tertiary recovery (CO_2) projects in western Mississippi, which includes additional development of the Little Creek and Mallalieu Fields, in addition to the commencement of a new CO_2 flood at McComb Field and the drilling of three additional CO_2 producing wells. Approximately 25% of the budget is being allocated to the offshore Gulf of Mexico area where the Company expects to drill 8-10 wells during 2003, split almost equally between development and exploration. The balance of the 2003 budget is almost equally weighted between the remaining two core areas of onshore Louisiana and eastern Mississippi and funds reserved for discretionary spending, seismic, acreage and other general corporate costs. Included in this portion of the budget are approximately 15 wells onshore Louisiana and 20 wells in eastern Mississippi.

Anticipated Production Growth

Based on this capital budget program, the Company anticipates that its production will average around 37,500 BOE/d during 2003, with an estimated 50/50 oil and natural gas production ratio. This represents a production increase of between five and six percent over anticipated 2002 totals, even after adjustment for the estimated 2,200 BOE/d relating to properties that are expected to be sold during the fourth quarter of 2002 or in early 2003. The Company expects fourth quarter of 2002 daily production to average between 35,500 and 36,000 BOE/d, slightly less than originally expected, primarily due to further delays and shut-ins attributable to Tropical Storm Isidore and Hurricane Lili in late September and early October.

Natural Gas Hedges

Separately, the Company announced that as part of its regular hedging program it has recently hedged additional natural gas for 2004 in the form of a no-cost natural gas collar for 30 MMcf/d, consisting of a price floor of $3.00 per MMBtu and an average price ceiling of $5.84 per MMBtu. Although the Company has not completed its production forecast for 2004, it expects that this hedge, combined with its prior hedges, will cover between 50% and 60% of its anticipated 2004 natural gas production. The Company had previously hedged between 40% and 50% of its anticipated 2004 oil production.

"We continue to execute on our plan to increase net asset value per share by increasing production, increasing reserves and at the same time reducing debt," commented Gareth Roberts, Chief Executive Officer of Denbury. "Even though we expect to spend significantly less than our currently anticipated 2003 cash flow and are in the process of selling approximately 2,200 BOE/d to help us reduce debt, we still expect to show overall production growth next year. We expect to pay back an additional $10 million of debt next week with excess cash flow, reducing our total debt to $350 million. With the proposed property sales, some of which may not close until January 2003, plus a portion of the anticipated extra cash flow generated from operations, we believe that our targeted debt level of $300 million is very achievable by mid-year 2003."

Denbury Resources Inc. (www.denbury.com) is a growing independent oil and gas company. The Company is the largest oil and natural gas operator in Mississippi and holds key operating acreage onshore Louisiana and in the offshore Gulf of Mexico. The Company increases the value of acquired properties in its core areas through a combination of exploitation drilling and proven engineering extraction practices.

This press release, other than historical financial information, contains forward looking statements that involve risks and uncertainties, including expected drilling activity and results, production levels, commodity prices, financial results, sales proceeds and other risks and uncertainties detailed in the Company's filings with the Securities and Exchange Commission, including the reports on Form 10-Q. These reports are incorporated by this reference as though fully set forth herein. These statements are based on assumptions concerning pricing, scheduling, drilling and completion results and engineering assumptions that management believes are reasonable based on currently available information; however, management's assumptions and the Company's future performance are both subject to a wide range of business risks, and there is no assurance that these goals and projections can or will be met. Actual results may vary materially.

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