

**DENBURY RESOURCES INC.
RELATED PARTY TRANSACTIONS POLICY**

The Board of Directors (the “Board”) of Denbury Resources Inc. (“Denbury” or the “Company”) recognizes that transactions involving the Company and related parties present a heightened risk of conflicts of interest and/or improper valuation (or the perception thereof) and therefore has adopted this policy which shall be followed in connection with all related party transactions involving the Company.

Definitions

For these purposes, a “Related Party Transaction” is a transaction (including any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness)), or series of related transactions, or any material amendment to any such transaction, between the Company and any Related Party, other than:

1. transactions available to all employees generally;
2. a transaction involving compensation of an executive officer or involving an employment agreement, severance agreement, change in control provision or agreement or special supplemental benefit of an executive officer;
3. a transaction with a Related Party involving less than \$10,000;
4. a transaction in which the interest of the Related Party arises solely from the ownership of a class of the Company’s equity securities and all holders of that class receive the same benefit on a pro rata basis; or
5. a transaction in which the rates or charges involved therein are determined by competitive bids.

A “Related Party” is a person as indicated below, or an entity owned by such person:

1. an “executive officer” of the Company (as defined in Rule 405 promulgated under the Securities Act of 1933, as amended, and Rule 3b-7 promulgated under the Securities Exchange Act of 1934, as amended);
2. a director of the Company or a nominee for director of the Company;
3. a person (including any entity or group) known to the Company to be the beneficial owner of more than 5% of any class of the Company’s voting securities (a “5% shareholder”); or
4. a person who is an “immediate family member” of an executive officer, director, nominee for director or 5% shareholder of the Company.

An “Immediate Family Member” is: the person’s child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law and any other person (other than a tenant or employee) sharing the household of the specified person.

Nominating/Corporate Governance Committee Approval

The Board has determined that the Company's Nominating/Corporate Governance Committee (the "Committee"), which consists solely of directors who are classified as "independent" under the Company's Corporate Governance Policies, is best suited to review and approve Related Party Transactions and any material amendments to such Related Party Transactions, although the Board may instead determine that a particular Related Party Transaction or a material amendment thereto be reviewed and approved by a majority of directors who are disinterested in the transaction and who are classified as "independent" under the Company's Corporate Governance Policies. No director shall participate in any discussion or approval of a Related Party Transaction for which he or she is a Related Party, except that the director shall provide all material information concerning the Related Party Transaction to the Committee.

The Committee shall review the material facts of all Related Party Transactions that require the Committee's approval and either approve or disapprove of the entry into the Related Party Transaction. If advance Committee approval of a Related Party Transaction is not feasible, then the Related Party Transaction shall be considered and, if the Committee determines to be appropriate, ratified at the Committee's next regularly scheduled meeting. In determining whether to approve or ratify a Related Party Transaction, the Committee will take into account, among other factors it deems appropriate, (i) whether the transaction is fair to the Company, (ii) whether the Committee has all of the material facts regarding the transactions or parties involved, (iii) whether the transaction is generally available to an unaffiliated third-party under the same or similar circumstances and cost, and (iv) the extent of the Related Person's interest in the transaction.

Disclosure

As required by the Securities Act of 1933 and the Securities Exchange Act of 1934 and related rules and regulations, the Company shall timely disclose on at least an annual basis in its applicable filings all Related Party Transactions exceeding \$120,000 in amount, this amount to be adjusted to conform to any changes from time to time in the requirements under Item 404 of the Securities and Exchange Commission's Regulation S-K. Furthermore, all Related Party Transactions of which management is aware shall be disclosed to the Committee. At least annually, management shall elicit information from the Company's executive officers and directors as to existing and potential Related Party Transactions and shall seek to obtain such information from 5% shareholders who do not file reports with the SEC on Schedule 13G. An executive officer or director shall promptly inform the Chairman of the Committee when the officer or director becomes aware of a potential Related Party Transaction in which the officer or director would be a Related Party.

Other Agreements

Management shall assure that all Related Party Transactions are approved in accordance with any requirements of the Company's financing agreements.

As adopted by the Board of Directors on February 21, 2007, revised as of June 17, 2011