

# WAPITI ENERGY, LLC

## P R E S S   R E L E A S E

Wapiti Energy Agrees to Sell Conroe Field to Denbury Resources for \$430.7 million

News Release

Released at 7:30 a.m. CST

HOUSTON – December 3, 2009 – Wapiti Energy, LLC (“Wapiti” or the “Company”) announced today that it has entered into an agreement with Denbury Resources Inc. (NYSE symbol: DNR) (“Denbury”) to sell Wapiti’s 95% interest in the Conroe Field, for approximately \$430.7 million in cash and Denbury common stock. The transaction is expected to close later this month.

Conroe Field, located north of Houston, Texas has produced more than 735 million barrels of oil and approximately 1.4 trillion cubic feet of gas since its discovery in 1931 by George W. Strake, a legendary Houston Wildcatter and Philanthropist. The field, a significant tertiary recovery candidate, had been operated by Exxon Corporation since 1978 until Wapiti assumed operations of the field with the purchase of Exxon’s majority interest in 2006. Wapiti began purchasing Conroe non-operating working interests in 2001

Dick Agee, Chairman and CEO of Wapiti, commented: “I am extremely proud of the commitment and dedication of our Wapiti employees and pleased they will share in the value we have collectively created. For the past three years, Wapiti has been privileged to have Quantum Energy Partners as an investor. The depth of support and range of expertise Quantum brought to our company has been impressive.”

“Wapiti has been involved in the Conroe Field for 8 years and we are proud of our operational track record, including having doubled the field’s oil production. We realized, though, that it is the right time for this giant field to begin preparations for the next phase in its producing life. Denbury is the preeminent CO<sub>2</sub> player in the Gulf Coast Region and this field is a perfect fit for their tertiary recovery expertise. We are delighted to become shareholders of such an exciting company.”

Conroe Field’s conventional net proven reserves are estimated at approximately 20 million barrels of oil equivalent and the current 30 day average net daily production is 2,935 barrels of oil equivalent. Bank of America Merrill Lynch acted as financial advisor to Wapiti on this transaction while Bond & Smyser and Skadden, Arps, Slate, Meagher, and Flom provided legal advice.

## About Wapiti Energy, LLC

Wapiti Energy, LLC is a privately held, growth oriented, North American exploration and production company. Based in Houston, the Company's assets are located primarily along the Texas Gulf Coast and are comprised of long life oil producing properties. Since 2000, Wapiti has made over 10 substantial acquisitions in Texas and Louisiana. These acquisitions have provided Wapiti with a base of operations and opportunities. In 2006, Quantum Energy Partners became a minority investor in Wapiti Energy, LLC. For more information, log on to: [www.wapitienergy.com](http://www.wapitienergy.com).