



November 6, 2015

Institutional Shareholder Services
ISS Research
policy@issgovernance.com

Re: Denbury Resources Inc. Comments on 2016 ISS Policy Survey

To Whom it May Concern:

Denbury Resources Inc. ("Denbury") is pleased to provide the following comments to Institutional Shareholder Services, Inc. ("ISS") on its 2016 U.S. Draft Policy Update ("ISS Draft Policy").

Denbury is an independent oil and natural gas company. Our operations are focused in two key operating areas: the Gulf Coast and Rocky Mountain regions. Our goal is to increase the value of our properties through a combination of exploitation, drilling and proven engineering extraction practices, with the most significant emphasis relating to carbon dioxide enhanced oil recovery (CO₂ EOR) operations. Denbury is a publicly traded company and has been listed on the New York Stock Exchange (NYSE: DNR) since 1997.

We are writing in response to the request for comments on the ISS Draft Policy with respect to "Director Overboarding." We appreciate and support ISS' approach to examine its policies on compensation and governance matters. We also appreciate ISS surveying the views of issuers on such matters and soliciting comments regarding potential changes to its policies.

Director Overboard Comments

By reducing the number of public company boards on which a non-CEO board member can serve to a number less than six, ISS will make a determination for public company boards that their board members who serve on six boards do not have enough time to appropriately perform their board duties and responsibilities. We believe this determination is better made by each public company board based on an individualized facts-and-circumstances analysis considering the board's needs and the available time, resources and attributes of all board members. As you are aware, every board operates in a different manner and relies on its individual board members in different ways, so time commitments and individual responsibilities for a board member serving on multiple boards may vary widely from one board to the next. Additionally, we believe ISS' focus simply on the number of boards on which a director serves is an incomplete and somewhat arbitrary method of measuring how much available time a director has to devote to board activities.

Each public company board owes a fiduciary duty to the company's shareholders, and part of fulfilling this duty is continually evaluating the board's performance to ensure that the board as a whole is operating effectively. In our experience, a board will consider such things as the appropriate number of board members, the necessary time commitment required of individual board members in order to provide

a meaningful benefit, and the required expertise and skill set of the collective board when making such evaluations. While we acknowledge ISS' data that directors are devoting more time to board service than in the past, we do not believe this presumptively leads to the conclusion that board members do not have enough time to fulfill their duties. Accordingly, we are not in favor of ISS adding an additional subjective restraint to these board composition considerations that will limit the overall pool of otherwise qualified candidates.

Part of the reason for our comment is that the adoption of this proposal may require one of our board members to consider whether he can continue to serve on our board. This board member never misses a meeting, is fully engaged in his board duties and provides invaluable industry specific insight to our board and management team. We believe that the experience he receives and diverse governance practices to which he is exposed by being on other boards are advantages from which we greatly benefit. Should ISS approve reducing the number of boards to five, a great many dedicated and effective board members, like ours, would be forced to choose between their companies. We think this is a choice best left for public company boards based on the unique needs of the company and the mix of individuals on the board.

In conclusion, we believe that ISS' current policy on Director Overboarding sets an appropriate upper limit, and so we do not believe that the number should be reduced at this time. However, should ISS feel the need to move forward with this policy change, we believe the upper limit for non-CEO board members should be five public company boards.

We hope ISS finds this comment letter useful. Again, we appreciate the opportunity to comment on the ISS Draft Policy and the attention that ISS gives to the comments it receives. Please do not hesitate to contact me at 972-673-2050 or phil.rykhoek@denbury.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Phil Rykhoek", with a long horizontal flourish extending to the right.

Phil Rykhoek
President and CEO
Denbury Resources Inc.