



DIVISION OF
CORPORATION FINANCE
MAIL STOP 7010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

September 6, 2007

Mr. Phil Rykhoek
Chief Financial Officer
Denbury Resources Inc.
5100 Tennyson Parkway, Suite 1200
Plano, TX 75024

**Re: Denbury Resources Inc.
Form 10-K for Fiscal Year Ended December 31, 2006
Filed February 28, 2007
Response Letters Dated July 16, 2007 and July 20, 2007
File No. 1-12935**

Dear Mr. Rykhoek:

We have reviewed your responses and have the following comments. We have limited our review of your filing to those issues we have addressed in our comments. Where indicated, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure. After reviewing this information, we may raise additional comments.

Form 10-K for the Fiscal Year Ended December 31, 2006

General

1. Please note that we are continuing to evaluate your proposal for prospective modifications to your disclosure.

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Critical Accounting Policies

Accounting for Tertiary Injection Costs, page 50

2. Please note that we are continuing to evaluate your response to our prior comment number four. In addition to the information previously provided, please provide us with a quantitative analysis of the amounts you have expensed relative to CO2 injection, for all periods presented in your Form 10-K through your most recent interim period. Your analysis should include those CO2 injectant and related costs incurred for the purpose of pressurizing reservoirs for the purpose of recognizing proved tertiary reserves, as well as those costs incurred subsequent to the recognition of reserves for the purpose of maintaining production and reservoir pressure. We may have further comment. Please contact us if you wish to discuss.

Closing Comments

As appropriate, please amend your filing and respond to these comments within 10 business days or tell us when you will provide us with a response. You may wish to provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

You may contact Kevin Stertz at (202) 551-3723 if you have questions regarding comments on the financial statements and related matters. Please contact me at (202) 551-3683 with any other questions.

Sincerely,

Jill S. Davis
Branch Chief