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DENBURY RESOURCES INC
Form SC 13D/A
June 11, 2003

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D/A
(AMENDMENT NO. 2)

UNDER THE SECURITIES EXCHANGE ACT OF 1934*

DENBURY RESOURCES INC.
(NAME OF ISSUER)

COMMON STOCK, PAR VALUE \$0.001 PER SHARE
(TITLE OF CLASS OF SECURITIES)

247916 20 8
(CUSIP NUMBER)

D. MARTIN PHILLIPS
ENCAP INVESTMENTS L.L.C.
1100 LOUISIANA, SUITE 3150
HOUSTON, TEXAS 77002
(713) 659-6100
(NAME, ADDRESS AND TELEPHONE NUMBER OF PERSON
AUTHORIZED TO RECEIVE NOTICES AND COMMUNICATIONS)

MAY 30, 2003
(DATE OF EVENT WHICH REQUIRES FILING
OF THIS STATEMENT)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of ss.ss. 240.13d-1(e), 240.13d-1(f) or 204.13d-1(g), check the following box. []

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See ss. 240.13d-7(b) for other parties to whom copies are to be sent.

*The remainder of the cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP NO. 247916 20 8

SCHEDULE 13D/A

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- (1) Names of Reporting Persons I.R.S. Identification Nos. of Above Persons
(entities only)

ENCAP INVESTMENTS L.L.C.

- (2) Check the Appropriate Box if a Member of a Group (See Instructions)

- (3) SEC Use Only

- (4) Source of Funds (See Instructions)

- (5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

- (6) Citizenship or Place of Organization

EnCap Investments L.L.C. is a
company organized under the laws of
Delaware

Number of
Shares Bene-
ficially
Owned by
Each
Reporting
Person With

- (7) Sole Voting Power
(8) Shared Voting Power
(9) Sole Dispositive Power
(10) Shared Dispositive Power

- (11) Aggregate Amount Beneficially Owned by Each Reporting Person

- (12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

- (13) Percent of Class Represented by Amount in Row (11)

- (14) Type of Reporting Person (See Instructions)

(1) EnCap Investments L.L.C. may be deemed to have voting and dispositive power with respect to the shares of Common Stock owned by EnCap III, EnCap III-B, and BOCP (as defined herein). See Items 2, 5 and 6.

(2) EnCap Investments L.L.C. disclaims beneficial ownership of the shares owned by EnCap III, EnCap III-B, and BOCP (as defined herein).

(3) Based on 53,754,702 shares issued and outstanding as of April 30, 2003, as disclosed in the Issuer's Quarterly Report on Form 10-K filed May 14, 2003.

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ITEM 1. SECURITY AND ISSUER.

No modification.

ITEM 2. IDENTITY AND BACKGROUND.

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No modification.

Items 2(d) - (f) are amended in their entirety as follows:

(d) - (f)

See Schedule I

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

No modification.

ITEM 4. PURPOSE OF TRANSACTION.

The following is added to Item 4:

(a) On May 30, 2003, each of EnCap III, EnCap III-B, and BOCP transmitted for filing with the Securities and Exchange Commission a Form 144, Notice of Proposed Sale, in accordance with Rule 144(h), reporting their intention to sell up to 614,147 shares, 464,480 shares, and 150,273 shares of Common Stock, respectively, in open market transactions over the subsequent three-month period. On May 30, 2003, EnCap III sold 614,147 shares of the Common Stock, EnCap III-B sold 464,480 shares of Common Stock, and BOCP sold 150,273 shares of Common Stock, pursuant to Rule 144 under the Securities Act of 1933, as amended.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

Item 5 is amended and restated in its entirety as follows:

(a) EnCap Investments. EnCap Investments, as the sole general partner of EnCap III, may be deemed the beneficial owner of 1,060,360 shares of Common Stock held by EnCap III. EnCap Investments, as the sole general partner of EnCap III-B, may be deemed the beneficial owner of 801,951 shares of Common Stock held by EnCap III-B. EnCap Investments, as an investment advisor to BOCP, may be deemed the beneficial owner of 259,455 shares of Common Stock held by BOCP. EnCap Investments may therefore be deemed the beneficial owner of an aggregate of 2,121,766 shares of Common Stock held by EnCap III, EnCap III-B and BOCP. Based on the 53,754,702 shares of Common Stock outstanding as of April 30, 2003, EnCap Investments may be deemed the beneficial owner of approximately 3.9% of the outstanding shares of Common Stock.

El Paso Merchant Energy and El Paso Corporation. Each of El Paso Merchant Energy and El Paso Corporation may be deemed to be the beneficial owner of the shares of Common Stock owned or deemed owned by EnCap Investments (by virtue of being controlling persons of EnCap Investments). El Paso Merchant Energy and El Paso Corporation disclaim beneficial ownership of the shares of Common Stock owned or deemed owned by EnCap Investments.

Executive Officers and Directors. Except as otherwise described herein, and to the knowledge of the reporting person, no person listed in Schedule I is the beneficial owner of any shares of Common Stock.

(b) EnCap Investments. As the general partner of EnCap III, EnCap Investments shares the power to vote

or direct the vote and to dispose or direct the disposition of 1,060,360 shares of Common Stock held by EnCap III. As the general partner of EnCap III-B, EnCap

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Investments shares the power to vote or direct the vote and to dispose or direct the disposition of 801,951 shares of Common Stock held by EnCap III-B. By virtue of a Management Agreement (as defined in Item 6), EnCap Investments shares the power to vote or direct the vote or dispose or direct the disposition of 259,455 shares of Common Stock held by BOCF.

El Paso Merchant Energy and El Paso Corporation. Each of El Paso Merchant Energy and El Paso Corporation may be deemed to be the beneficial owner of the shares of Common Stock owned or deemed owned by EnCap Investments (by virtue of being controlling persons of EnCap Investments). El Paso Merchant Energy and El Paso Corporation disclaim beneficial ownership of the shares of Common Stock owned or deemed owned by EnCap Investments.

Executive Officers and Directors. Except as otherwise described herein, and to the knowledge of the reporting person, no person listed in Schedule I has the power to vote or direct the vote, or dispose or direct the disposition of, any shares of Common Stock.

(c) Except as otherwise described herein or in any Exhibit filed herewith, and to the knowledge of the reporting person, none of the persons named in response to Paragraph (a) above has affected any transaction in the Common Stock during the past sixty (60) days.

(d) Except as otherwise described herein, and to the knowledge of the reporting person, no person has the right to receive or the power to direct the receipt of dividends from, or the proceeds from sale of, the Common Stock deemed to be beneficially owned by them.

(e) EnCap Investments ceased to be the beneficial owner of more than five percent (5%) of the Common Stock on May 30, 2003, as a result of the transactions reported hereon.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO THE SECURITIES OF THE ISSUER.

No modification.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

No modification.

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SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: June 6, 2003

ENCAP INVESTMENTS L.L.C.

By: /s/ D. Martin Phillips

D. Martin Phillips,
Managing Director

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SCHEDULE I

DIRECTORS, MANAGERS, EXECUTIVE OFFICERS, OR CONTROLLING PERSONS

The name, business address, present principal occupation or employment and the name, principal business address of any corporation or other organization in which such employment is conducted, of each of (i) the managing directors of EnCap Investments, (ii) the directors and executive officers of El Paso Merchant Energy, and (iii) the directors and executive officers of El Paso Corporation are set forth below:

Name and Business Address	Capacity in Which Serves	Principal Occupation	Name, Pr Address o which Princ C
(i) EnCap Investments L.L.C.			
David B. Miller 3811 Turtle Creek Blvd. Dallas, Texas 75219	Managing Director of EnCap Investments	Managing Director of EnCap Investments	EnCap In 3811 Tu Dalla
D. Martin Phillips 1100 Louisiana, Suite 3150 Houston, Texas 77002	Managing Director of EnCap Investments	Managing Director of EnCap Investments	EnCap In 1100 Loui Housto
Robert L. Zorich 1100 Louisiana, Suite 3150 Houston, Texas 77002	Managing Director of EnCap Investments	Managing Director of EnCap Investments	EnCap In 1100 Loui Housto
Gary R. Petersen 1100 Louisiana, Suite 3150 Houston, Texas 77002	Managing Director of EnCap Investments	Managing Director of EnCap Investments	EnCap In 1100 Loui Housto

Name and Business Address	Capacity in Which Serves	Principal Occupation	Name, Pr Address o which Princ C
(ii) El Paso Merchant Energy North America Company			
Robert W. Baker 1001 Louisiana Street Houston, Texas 77002	President and Director	President, El Paso Merchant Energy	El Paso North 1001 L Housto

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Name and Business Address	Capacity in Which Serves	Principal Occupation	Name, Pr Address o which Princ C
Faye L. Stallings 1001 Louisiana Street Houston, Texas 77002	Senior Vice President, Chief Financial Officer, Treasurer, Controller and Director	Senior Vice President, Chief Financial Officer, and Treasurer El Paso Merchant Energy	El Paso North 1001 L Housto

Name and Business Address	Capacity in Which Serves	Principal Occupation	Name, Pr Address o which Princ C
(iii) El Paso Corporation			
Ronald L. Kuehn, Jr. 1001 Louisiana Street Houston, Texas 77002	Chairman of the Board, Chief Executive Officer, and Director	Director, Chairman of the Board, and Chief Executive Officer of El Paso Corporation	El Paso 1001 Lou Houston,
Robert W. Baker 1001 Louisiana Street Houston, Texas 77002	Executive Vice President	Executive Vice President of El Paso Corporation	El Paso 1001 Lou Houston,
D. Dwight Scott 1001 Louisiana Street Houston, Texas 77002	Executive Vice President and Chief Financial Officer	Executive Vice President and Chief Financial Officer of El Paso Corporation	El Paso 1001 Lou Houston,
David E. Zerhusen 1001 Louisiana Street Houston, Texas 77002	Senior Vice President and Deputy General Counsel	Executive Vice President of El Paso Corporation	El Paso 1001 Lou Houston,
John W. Somerhalder II 1001 Louisiana Street Houston, Texas 77002	President, Pipeline Group, and Executive Vice President	President, Pipeline Group of El Paso Corporation	El Paso 1001 Lou Houston,
Peggy A. Heeg 1001 Louisiana Street Houston, Texas 77002	Executive Vice President and General Counsel	Executive Vice President and General Counsel of El Paso Corporation	El Paso 1001 Lou Houston,

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Jeffrey I. Beason
1001 Louisiana Street
Houston, Texas 77002

Senior Vice
President and
Controller

Senior Vice President and
Controller of El Paso
Corporation

El Paso
1001 Lou
Houston,

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Name and Business Address	Capacity in Which Serves	Principal Occupation	Name, Pr Address o which Princ C
Byron Allumbaugh 33 Ridgeline Drive Newport Beach, CA 92660	Director	Retired Chairman Ralphs Grocery Company	33 Ridg Newport B
John M. Bissell 2345 Walker Ave. N.W. Grand Rapids, MI 49501	Director	Chairman of the Board of Bissell Inc.	Biss 2345 Walke Grand Rap
Juan Carlos Braniff Grupo Financiero Bancomer Universidad 1200 Col. XOCO Mexico, D.F.C.P. 03339	Director	Vice Chairman Grupo Financiero Bancomer	Univer Co Mexico, D
James F. Gibbons Stanford University Paul G. Allen Center for Integrated Systems Room 201 (M.S. 4075) Stanford, California 94305	Director	Professor at Stanford University School of Engineering	Stanfor Paul G. for Integ Room 201 (Stanfor
Robert W. Goldman 13 Dupont Circle Sugar Land, Texas 77479	Director	Business Consultant	13 Dup Sugar Lan
Anthony W. Hall, Jr. City of Houston 900 Bagby, 4th Floor Houston, Texas 77002	Director	City Attorney City of Houston, Texas	City 900 Bagb Houston,
William A. Wise 2121 Kirby, Mailbox 50 Houston, Texas 77019	Director	Retired	El Paso 1001 Lou Houston,
J. Carleton MacNeil Jr. 3421 Spanish Trail Apt. 227D Delray, Florida 33483	Director	Securities Consultant	3421 Sp Ap Delray,
Thomas R. McDade McDade, Fogler, Maines, L.L.P. Two Houston Center 909 Fannin, Suite 1200 Houston, Texas 77010	Director	Senior Partner, McDade, Fogler, Maines, L.L.P.	McDade, F L Two Hou 909 Fanni Houston,

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Name and Business Address	Capacity in Which Serves	Principal Occupation	Name, Prin Name, Pr Address o which Princ C
Malcolm Wallop Frontiers of Freedom Foundation 12011 Lee Jackson Memorial Hwy. Fairfax, Virginia 22033	Director	Frontiers of Freedom Foundation	Frontiers of 12011 Lee J Fairfa
Joe B. Wyatt 2525 West End Ave., Suite 1410 Nashville, Tennessee 37203	Director	Chancellor Emeritus Vanderbilt University	Vanderbi 2525 We Sui Nashvil
John Whitmire 10101 Southwest Freeway #380 Houston, Texas 77074	Director	Chairman of the Board, Consol Energy, Inc.	Consol 10101 Southw Housto
J. Michael Talbert Transocean, Inc. 4 Greenway Plaza Houston, Texas 77046	Director	Chairman of the Board, Transocean, Inc.	Transo 4 Gree Housto
James L. Dunlap 1659 North Boulevard Houston, Texas 77006	Director	Business Consultant	1659 Nor Housto

(d) Neither EnCap Investments, El Paso Corporation, El Paso Merchant Energy, nor any of the individuals identified in this Schedule I has, to the knowledge of the reporting persons, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) Neither EnCap Investments, El Paso Corporation, El Paso Merchant Energy, nor any of the individuals identified in this Schedule I has, to the knowledge of the reporting persons, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) To the knowledge of the reporting persons, each of the individuals identified in this Schedule I is a citizen of the United States of America, with the exception of Juan Carlos Braniff, who is a citizen of Mexico.

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