

Encore Acquisition Company

Bell Creek CO₂ Project



July 28, 2009

NYSE: EAC

www.encoreacq.com



Cautionary Statements



This presentation includes forward-looking statements, which give Encore's current expectations or forecasts of future events based on currently available information. Forward-looking statements in this presentation relate to, among other things, the closing of the CO2 purchase transaction, the benefits to be derived from the use of CO2 as a tertiary injectant, the cost and timing of facilities and pipelines needed to process, compress, and transport the CO2, the use of third party contractors, potential delays due to permitting and other difficulties, estimated reserves and production increases, estimated cash flows, and any other statements that are not historical facts. The assumptions of management and the future performance of Encore are subject to a wide range of business risks and uncertainties and there is no assurance that these statements and projections will be met. Factors that could affect Encore's business include, but are not limited to: the risks associated with drilling of oil and natural gas wells; Encore's ability to find, acquire, market, develop, and produce new reserves; the risk of drilling dry holes; oil and natural gas price volatility; risks associated with derivative transactions (including the costs associated therewith and the ability of counterparties to perform thereunder); uncertainties in the estimation of proved, probable, and possible reserves and in the projection of future rates of production and reserve growth; inaccuracies in Encore's assumptions regarding items of income and expense and the level of capital expenditures; uncertainties in the timing of exploitation expenditures; operating hazards attendant to the oil and natural gas business; risks related to Encore's high-pressure air injection program; drilling and completion losses that are generally not recoverable from third parties or insurance; potential mechanical failure or underperformance of significant wells; climatic conditions; availability and cost of material and equipment; the risks associated with operating in a limited number of geographic areas; actions or inactions of third-party operators of Encore's properties; Encore's ability to find and retain skilled personnel; diversion of management's attention from existing operations while pursuing acquisitions or joint ventures; availability of capital; the ability of lenders and derivative counterparties to fulfill their commitments; the strength and financial resources of Encore's competitors; regulatory developments; environmental risks; uncertainties in the capital markets; uncertainties with respect to asset sales; general economic and business conditions (including the effects of the worldwide economic recession); industry trends; and other factors detailed in Encore's most recent Form 10-K and other filings with the Securities and Exchange Commission. If one or more of these risks or uncertainties materialize (or the consequences of such a development changes), or should underlying assumptions prove incorrect, actual outcomes may vary materially from those forecasted or expected. Encore undertakes no obligation to publicly update or revise any forward-looking statements.

The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. The Company uses certain terms such as "possible", "probable", "potential", "upside", or other descriptions of volumes of reserves potentially recoverable through additional drilling or recovery techniques that the SEC's guidelines would prohibit the Company from including in filings with the SEC. These estimates are by their nature more speculative than estimates of proved reserves and, accordingly, are subject to substantially greater risk of being actually realized by Encore. Investors are urged to consider closely the disclosures in Encore's Form 10-K and Forms 10-Q, File No. 1-16295, available from the Company at Encore Acquisition Company, 777 Main Street, Suite 1400, Fort Worth, Texas 76102, Attention: Corporate Secretary. You can also obtain these forms on the SEC's website at www.sec.gov.

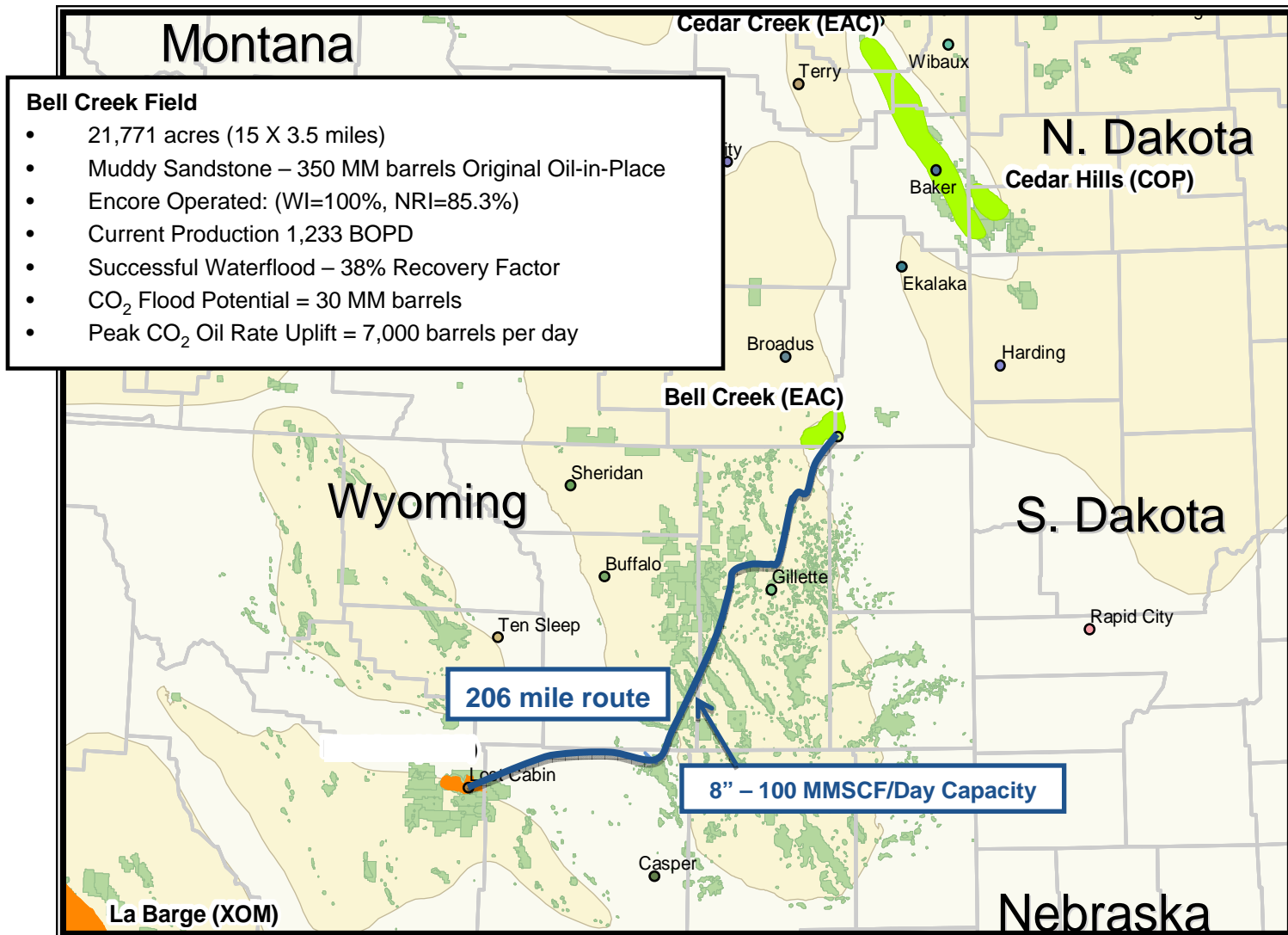
The Bell Creek CO₂ Project Will Add Value to Encore



- The Bell Creek CO₂ project is expected to yield an incremental 30.1 MM barrels of oil
- Production is estimated to grow from the current 1,200 barrels per day to approximately 7,000 barrels per day at the peak of the CO₂ response.
- Estimated Capital costs over the next two years are \$345MM:
 - Field - \$141 MM
 - Pipeline - \$127 MM*
 - Compression - \$77 MM
- Including CO₂ purchases, the average LOE is \$19 per net barrel.
- Brings a CO₂ pipeline to within 120 miles of the Cedar Creek Anticline where Encore has 200 million barrels of CO₂ EOR potential.
- This project helps the environment by reducing greenhouse gas emissions.

* Pipeline costs may be allocated to different fields as we transport additional volumes.

Bell Creek CO₂ Project – Overview Map



Bell Creek has what it takes to be a Top-Tier CO₂ Flood

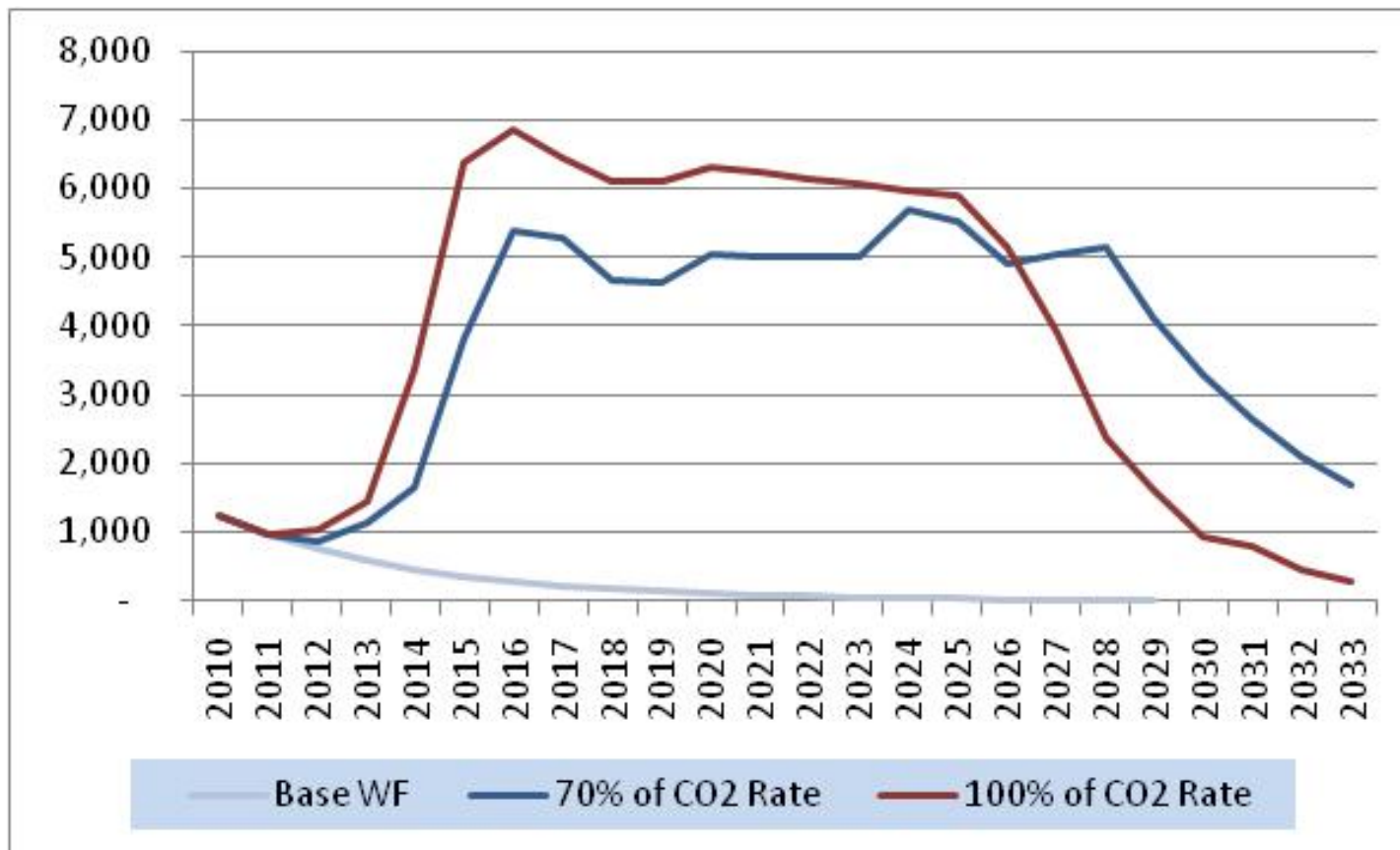


- Bell Creek represents an excellent CO₂ EOR Target
 - Displacement process will be miscible (higher recovery)
 - High quality reservoir allows us to inject and produce at economic rates
 - The residual oil after waterflood has left a substantial tertiary target
 - The Bell Creek waterflood showed good inter-well continuity
 - The wells have been kept in good shape: most preserved for future CO₂ use
 - Field parameters are very favorable to CO₂ miscible process

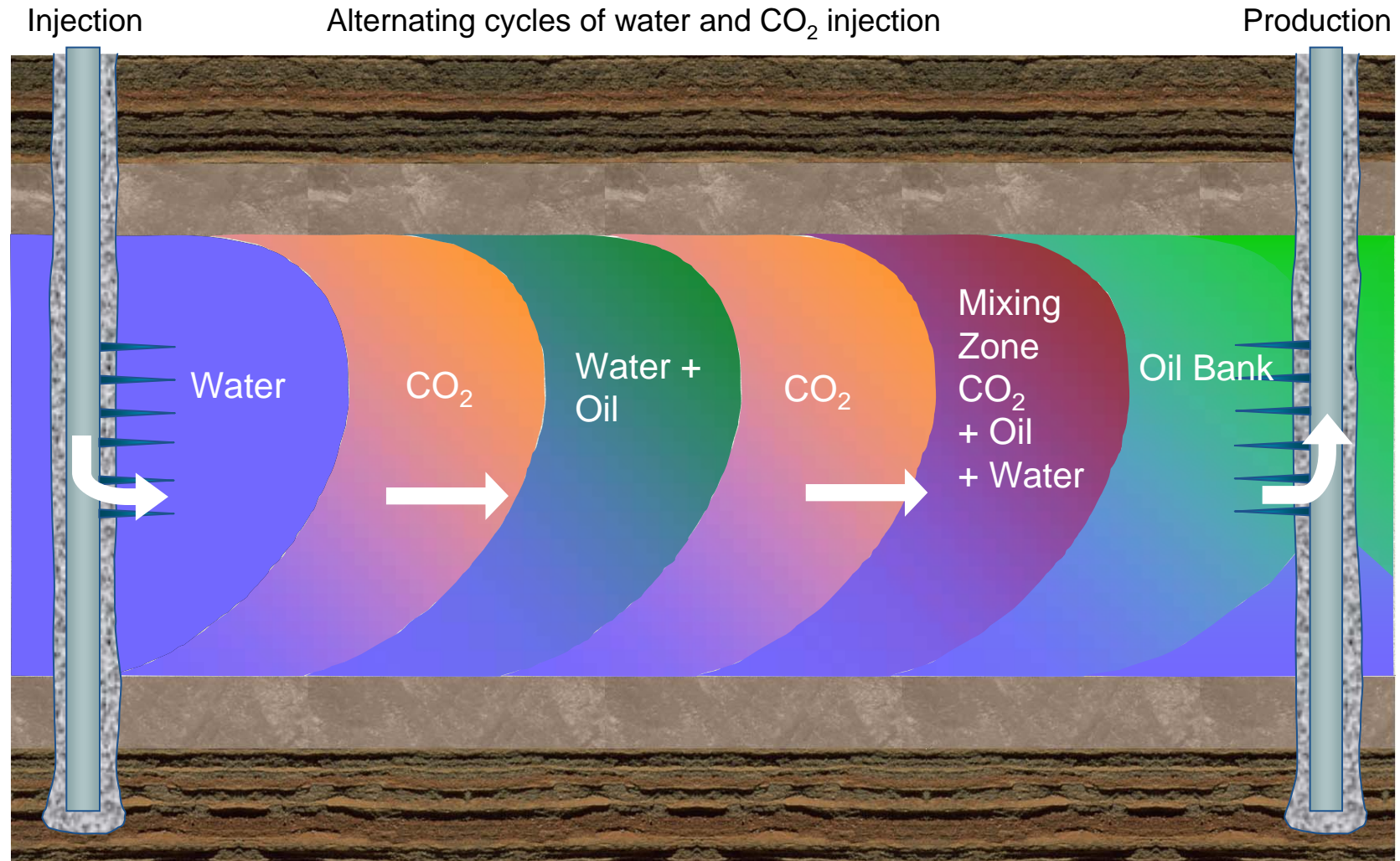
Encore expects a good production response in Bell Creek



- Two EOR response scenarios:
 - Inject 100% of the contracted CO₂ volume at Bell Creek
 - Inject 70% of the contracted CO₂ volume at Bell Creek and use the remaining 30% for acquisition advantage



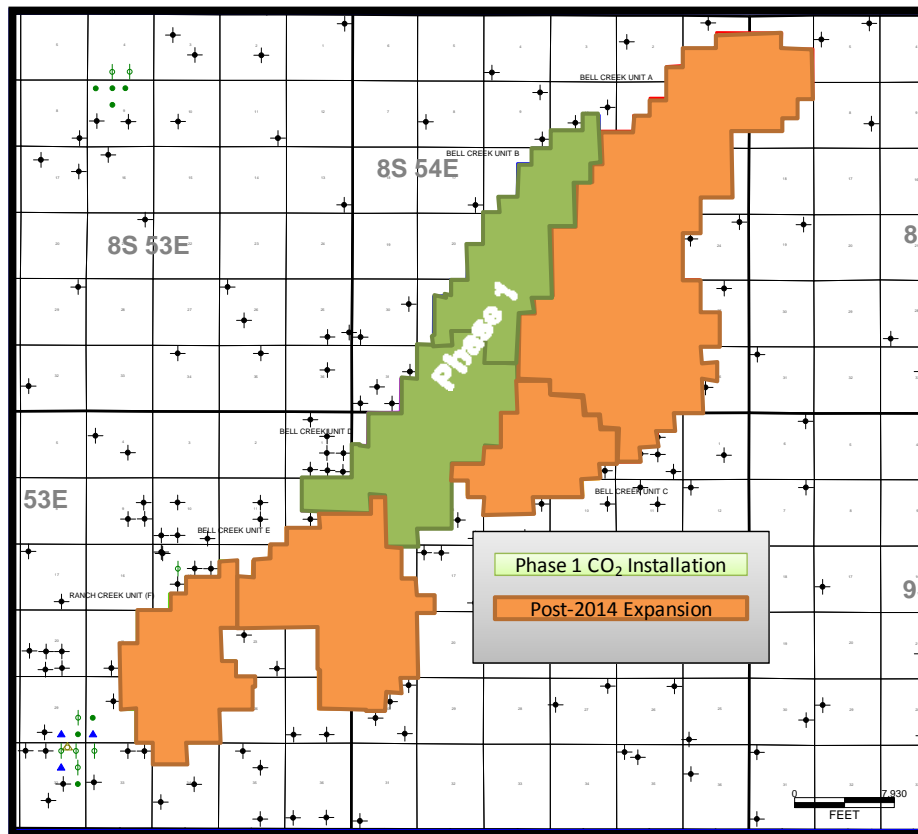
This is how CO₂ works in the reservoir



Bell Creek CO₂ Project – Development Phasing



Project divided into seven phases

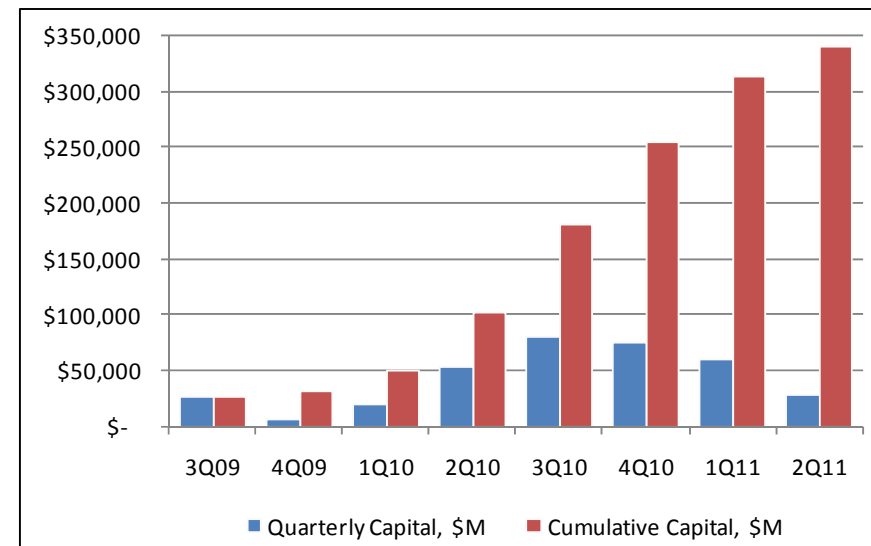


- Reservoir Parameters:
 - API gravity: 33 -41°API
 - Depth: 4500'
 - Flood Pressure: 2300 psi
 - Temperature: 108 °F
 - Porosity: average = 24%
 - Permeability : average= 900 md
 - Gross Thickness: 25-30 feet
 - Original Oil-In-Place: 350 MM barrels
 - Remaining Oil-In-Place : 221 MM barrels
 - Minimum Miscibility Pressure: 1250 – 1850 psi
 - 40-acre spacing – 5-spot pattern
- Bell Creek CO₂ injection will be installed in multiple phases between 2011 and 2025

Bell Creek CO₂ Project – Description

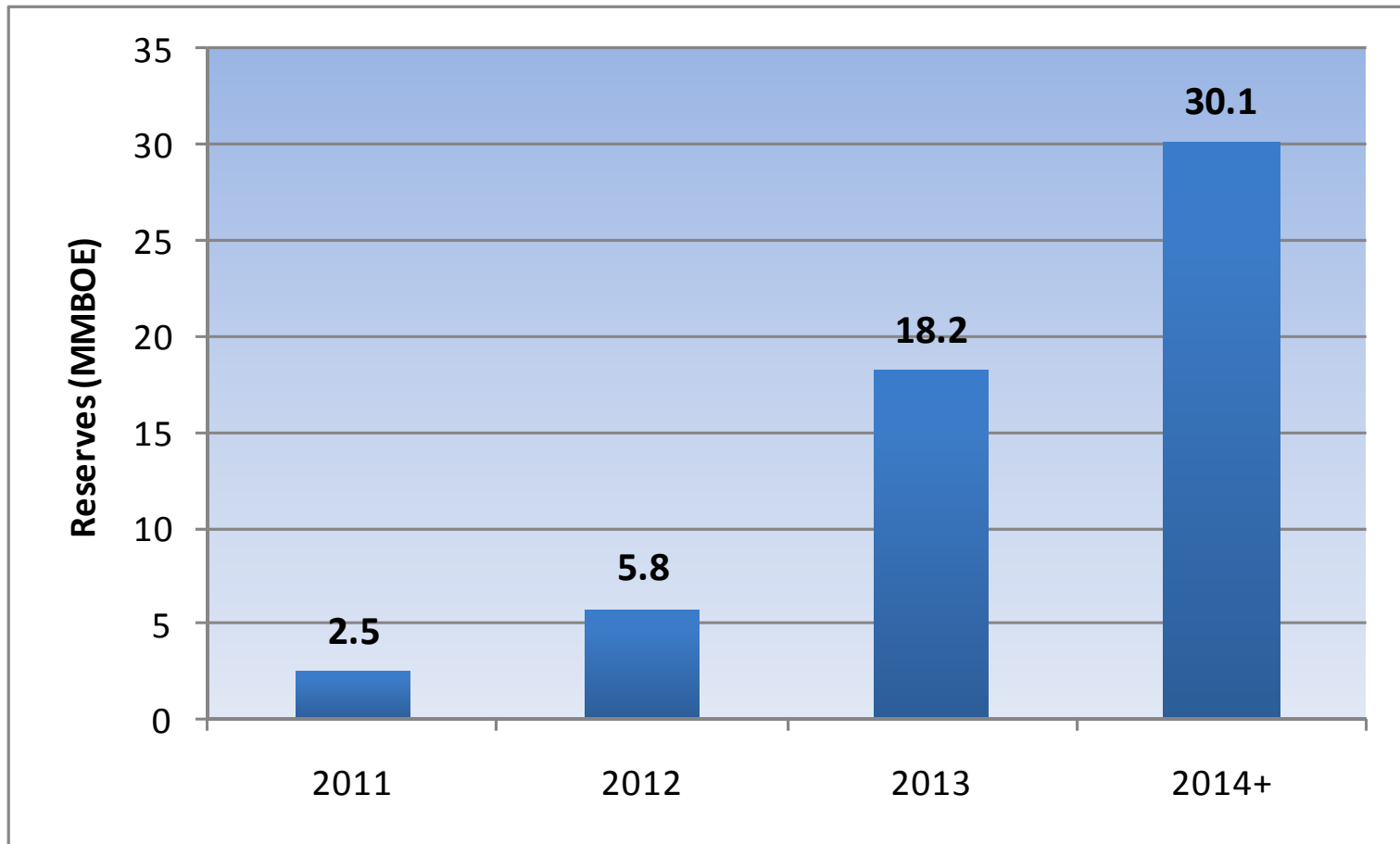


- Acquire all available volumes of CO₂ stream from the Lost Cabin Gas Plant
 - Initially estimated at 50 MMCFPD
- Construct a CO₂ transport pipeline from the Lost Cabin Gas Plant to the Bell Creek Field
 - 206 miles of 8” or 10” diameter line
 - Compression to take the feed from 50 psi to 2,200 psi – delivered to field at injection pressure
- Upgrade the Bell Creek Field infrastructure to handle higher water injection and production volumes, to facilitate injection and production of CO₂ and to re-inject produced water and CO₂ streams
- Re-activate 275 wells and drill up to an additional 75 wells in the Bell Creek Field to install a 5-spot CO₂ injection pattern
- Project implementation schedule of 24 months
- \$345 MM of capital from 2009 through 2011
 - Field - \$141 MM
 - Pipeline - \$127 MM*
 - Compression - \$77 MM
- \$80 MM of capital (2012+) as phases are added



* Pipeline costs may be allocated to different fields as we transport additional volumes.

This project is estimated to add 30 MM Bbls of reserves



Operating expenses are below \$20.00 per barrel

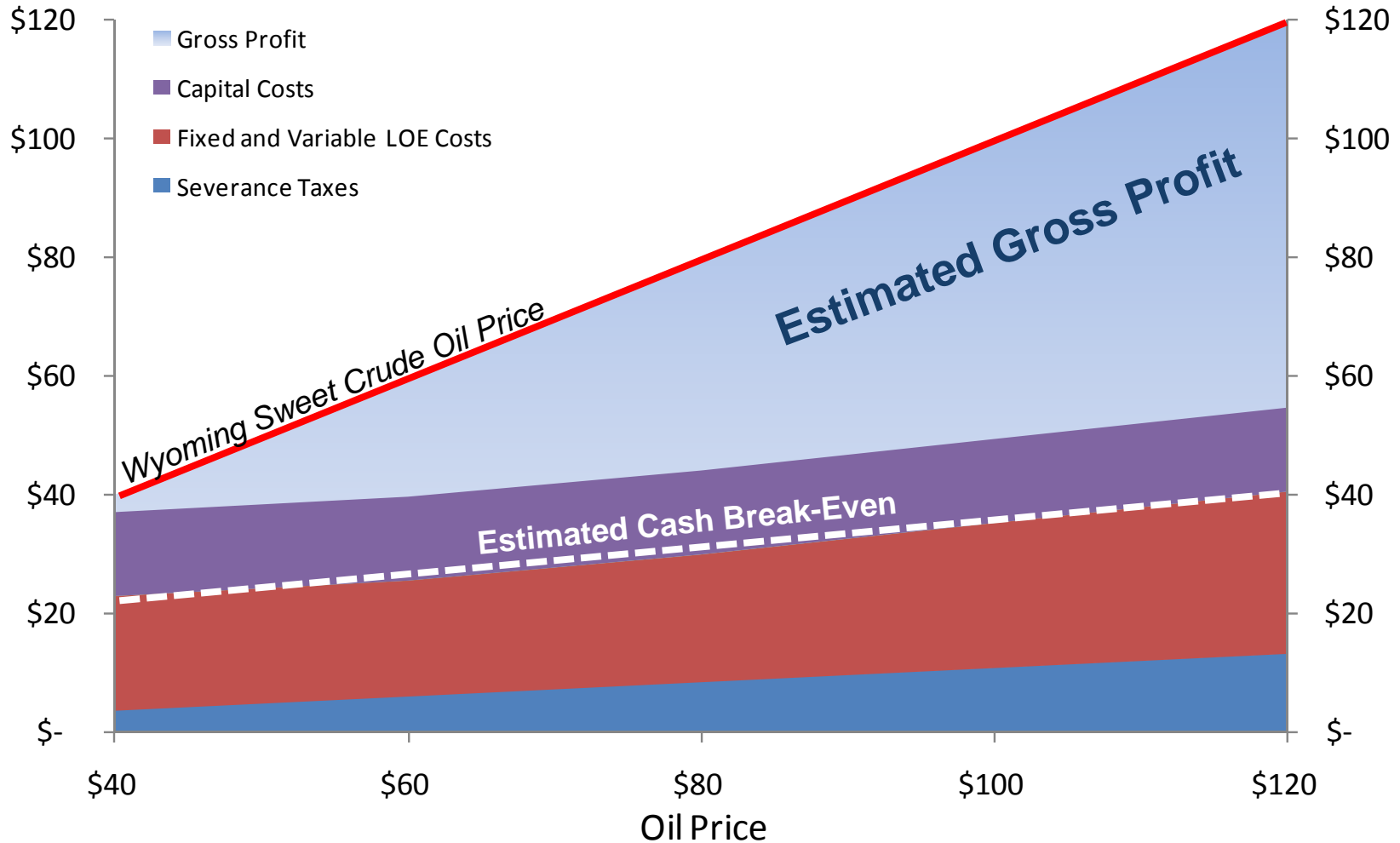


Assuming \$65 flat NYMEX Oil Price; Costs are averaged over life of the project

CO ₂ Costs (Includes Compression and Pipeline Operating Expenses)	\$2.27 per net barrel
Operating Costs (including recycled CO ₂ costs)	\$17.00 per net barrel
Total Operating Costs	\$19.27 per net barrel
Production & Property Taxes	\$7.16 per net barrel*

* *Could be reduced by Enhanced Oil Recovery tax credits*

Encore's project has a fully loaded break-even below \$35 oil



Estimated costs at various oil prices based on historical data and the estimated variability of costs to commodity prices. Actual results could differ materially.

Encore has plenty of liquidity



(In millions)

	6/30/2009			Pro Forma 6/30/2009 ⁽¹⁾			Fall Redetermination ⁽³⁾		Maturity Date
	Outstanding	Borrowing Base	Availability	Outstanding	Borrowing Base	Availability	Borrowing Base	Availability	
EAC Credit Facility	\$175	\$825	\$650	\$323	\$825 ⁽²⁾	\$502	\$900 - \$950	\$577 - \$627	March 7, 2012
ENP Credit Facility	\$195	\$240	\$45	\$256	\$375	\$119	\$375	\$119	March 7, 2012
EAC Bonds									
6.25%	\$150	n/a	n/a	\$150	n/a	n/a	n/a	n/a	April 15, 2014
6.00%	\$300	n/a	n/a	\$300	n/a	n/a	n/a	n/a	July 15, 2015
9.50%	\$225	n/a	n/a	\$225	n/a	n/a	n/a	n/a	May 1, 2016
7.25%	\$150	n/a	n/a	\$150	n/a	n/a	n/a	n/a	December 1, 2017
Bond Discount	(\$22)	n/a	n/a	(\$22)	n/a	n/a	n/a	n/a	
Total	\$1,173	\$1,065	\$695	\$1,382	\$1,200	\$621	\$1,275 - \$1,325	\$696 - \$746	

(1) Pro forma acquisitions and ENP equity offering

(2) Re-determined on March 10, 2009 which included effects of the hedge termination.

(3) Represents internal estimates of borrowing base increase in conjunction with acquisition of Mid-Continent and East Texas properties.

Bell Creek is a good stepping stone to Cedar Creek



- Encore will control the infrastructure in the Northern Powder River Basin into the Williston Basin.
- Bell Creek is an ideal project from an Original Oil-In-Place and reservoir characteristics standpoint.
- Encore will leverage our CO₂ knowledge and infrastructure into acquisition opportunities and expanding into our existing fields.
- The Cedar Creek Anticline is a 200 MM barrel CO₂ target.



EAC's inventory of Rockies properties are ideal for CO₂ floods

