UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): **October 26, 2011**

BERRY PETROLEUM COMPANY
(Exact name of registrant as specified in its charter)

Delaware	**1-9735**	**77-0079387**
(State or Other Jurisdiction of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

1999 Broadway, Suite 3700, Denver, Colorado	**80202**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: **(303) 999-4400**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On October 27, 2011, Berry Petroleum Company (the "Company") issued a news release announcing its financial and operational results for the third quarter ended September 30, 2011. These results are discussed in the news release attached hereto as Exhibit 99.1, which is incorporated by reference in its entirety.

ITEM 2.03. CREATION OF A DIRECT FINANCIAL OBLIGATION OR AN OBLIGATION UNDER AN OFF-BALANCE SHEET ARRANGEMENT OF A REGISTRANT.

On October 26, 2011, the Company entered into a Third Amendment (the "Third Amendment") to its Second Amended and Restated Credit Agreement dated November 15, 2010 by and among the Company and Wells Fargo Bank, N.A. and other lenders (the "Credit Agreement").

The borrowing base in the Credit Agreement remained unchanged at $1,400 million. The Third Amendment, among other things, increased lender commitments to $1,200 million. In addition, the Third Amendment contains usual and customary conditions, representations, and warranties. The foregoing description of the Third Amendment is not complete and is subject to and qualified in its entirety by reference to the Third Amendment, a copy of which is attached hereto as Exhibit 4.1 and the terms of which are incorporated herein by reference.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits.

EXHIBIT NUMBER	DESCRIPTION
4.1	Third Amendment to the Second Amended and Restated Credit Agreement dated October 26, 2011 by and among the Company and Wells Fargo Bank, N.A. and other lenders
99.1	News Release by Berry Petroleum Company dated October 27, 2011 titled "Berry Petroleum Announces Results for Third Quarter of 2011" announcing the Registrant's results for the third quarter ended September 30, 2011.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereto duly authorized.

BERRY PETROLEUM COMPANY

By: */s/ Davis O. O’Connor*

Davis O. O’Connor
Corporate Secretary

Date: October 27, 2011

Exhibit 4.1

THIRD AMENDMENT TO SECOND AMENDED AND RESTATED
CREDIT AGREEMENT

THIS THIRD AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment") is made as of October 26, 2011 by and among BERRY PETROLEUM COMPANY, a Delaware corporation ("Borrower"), WELLS FARGO BANK, N.A., individually and as administrative agent ("Administrative Agent"), and the Lenders party to the Original Credit Agreement defined below ("Lenders").

W I T N E S S E T H:

WHEREAS, Borrower, Administrative Agent and Lenders entered into that certain Second Amended and Restated Credit Agreement dated as of November 15, 2010 (as amended, supplemented, or restated to the date hereof, the "Original Credit Agreement"), for the purpose and consideration therein expressed, whereby Lenders became obligated to make loans and other extensions of credit to Borrower as therein provided; and

WHEREAS, Borrower, Administrative Agent and Lenders desire to amend the Original Credit Agreement upon the terms and conditions as set forth herein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein and in the Original Credit Agreement, in consideration of the loans and other extensions of credit that may hereafter be made by Lenders to Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I.

DEFINITIONS AND REFERENCES

§ 1.1. Terms Defined in the Original Credit Agreement. Unless the context otherwise requires or unless otherwise expressly defined herein, the terms defined in the Original Credit Agreement shall have the same meanings whenever used in this Amendment.

§ 1.2. Other Defined Terms. Unless the context otherwise requires, the following terms when used in this Amendment shall have the meanings assigned to them in this Section 1.2.

"Amendment" means this Third Amendment to Second Amended and Restated Credit Agreement.

"Credit Agreement" means the Original Credit Agreement as amended hereby.

"Original Omnibus Certificate" means the Omnibus Certificate dated November 15, 2010 executed and delivered by officers of Borrower pursuant to the Original Credit Agreement.

ARTICLE II.

AGREEMENTS

§ 2.1. Hedging Contracts. Subsection (a) of Section 7.3 of the Original Credit Agreement is hereby amended to replace the reference therein to "exceed 90% of Restricted Persons' aggregate Projected Oil Production (determined, with respect to 2011 production only, with respect to Proved Reserves instead of Proved Developed Producing Reserves)" with "exceed 90% of Restricted Persons' aggregate Projected Oil Production (or, if in excess of such 90% for the eighteen (18) month period immediately following the date on which any such contract is entered into by a Restricted Person, does not in the aggregate exceed the lesser of (x) 100% of Restricted Persons' aggregate Projected Oil Production for such eighteen (18) month period and (y) 75% of Restricted Persons' aggregate Projected Oil Production determined with respect to Proved Reserves instead of Proved Developed Producing Reserves for such eighteen (18) month period)".

§ 2.2. Lenders Schedule. Schedule 1 of the Original Credit Agreement is hereby amended in its entirety to read as set forth in Exhibit A to this Amendment. Each Lender hereby agrees that its Commitment and Percentage Share shall be the amount set forth opposite such Lender's name on Exhibit A to this Amendment.

§ 2.3. Allocation. Lenders hereby authorize Administrative Agent and Borrower to request Loans from the Lenders, and to make prepayments of Loans in order to ensure that, upon the effectiveness of this Amendment, the Loans of the Lenders shall be outstanding on a ratable basis in accordance with their respective Percentage Shares as set forth on the Lenders Schedule, as amended hereby, and no such borrowing, prepayment or reduction shall violate any provisions of the Credit Agreement. Lenders hereby confirm that, from and after the effective date of this Amendment, all participations of Lenders in respect of Letters of Credit outstanding under the Credit Agreement shall be based upon the Percentage Shares of the Lenders (after giving effect to this Amendment). Any Lender party to the Original Credit Agreement but not listed in Exhibit A to this Amendment (each, a "Departing Lender") shall cease to be a Lender party to the Credit Agreement, shall cease to have a Commitment thereunder or any participation in outstanding Letters of Credit or Swing Line Loans, and all Loans made by such Departing Lender, and all accrued interest, fees and other amounts payable under the Original Credit Agreement for its account shall be paid to such Departing Lender on the effective date hereof in accordance with this Section by the Lenders party to the Credit Agreement. Each Departing Lender joins in the execution and delivery of this Amendment solely for purposes of effectuating Sections 2.2 and 2.3 hereof.

§ 2.4. Borrowing Base Redetermination. Pursuant to Section 2.9(a) of the Credit Agreement, Administrative Agent and Lenders hereby notify Borrower that from the date hereof until the next Determination Date the Borrowing Base shall be $1,400,000,000, and by its execution hereof, Borrower accepts the foregoing Borrowing Base.

ARTICLE III.

CONDITIONS OF EFFECTIVENESS

§3.1 Effective Date. This Amendment shall become effective as of the date first above written when and only when:

(a) Amendment Documentation. Administrative Agent shall have received all of the following, at Administrative Agent's office, duly executed and delivered and in form and substance satisfactory to Administrative Agent, all of the following:

(i) this Amendment;

(ii) a certificate of the Secretary of Borrower dated the date of this Amendment certifying: (i) that resolutions attached thereto previously adopted by the Board of Directors of the Borrower authorize the execution, delivery and performance of this Amendment by Borrower; (ii) the names and true signatures of the officers of the Borrower authorized to execute and deliver Loan Documents; (iii) that the certificate of incorporation and bylaws of Borrower are in effect on the date hereof and no modifications have been made to them; and (iv) that all of the representations and warranties set forth in Article IV hereof are true and correct on and as of the date hereof, except to the extent that such representation or warranty was made as of a specific date or updated, modified or supplemented as of a subsequent date with the consent of Required Lenders and Administrative Agent, in which cases such representations and warranties shall have been true and correct in all material respects on and of such date; and

(iii) such other supporting documents as Administrative Agent may reasonably request.

(b) Existence & Good Standing Certificates. Administrative Agent shall have received an existence and good standing certificate from the applicable Governmental Authority of each Restricted Person's jurisdiction of incorporation, organization or formation, each dated a recent date prior to the effectiveness of this Amendment.

(c) No Default. No event shall have occurred and be continuing that would constitute an Event of Default or a Default.

(d) Fees & Expenses. Borrower shall have paid, in connection with such Loan Documents, all other fees and reimbursements to be paid to Administrative Agent pursuant to any Loan Documents, or otherwise due Administrative Agent and including fees and disbursements of Administrative Agent's attorneys.

ARTICLE IV.

REPRESENTATIONS AND WARRANTIES

§4.1 Representations and Warranties of Borrower. In order to induce each Lender to enter into this Amendment, Borrower represents and warrants to each Lender that:

(a) The representations and warranties contained in Article V of the Original Credit Agreement and the other Loan Documents are true and correct in all material respects on and as

of the date hereof as if such representations and warranties have been made as of the date hereof, except to the extent that such representations or warranties were made as of a specific date or updated, modified or supplemented as of a subsequent date with the consent of Required Lenders and Administrative Agent, in which case such representations and warranties shall have been true and correct in all material respects on and of such date.

(b) Borrower is duly authorized to execute and deliver this Amendment and is and will continue to be duly authorized to borrow monies and to perform its obligations under the Credit Agreement. Borrower has duly taken all corporate action necessary to authorize the execution and delivery of this Amendment and to authorize the performance of the obligations of Borrower hereunder.

(c) The execution and delivery by Borrower of this Amendment, the performance by Borrower of its obligations hereunder and the consummation of the transactions contemplated hereby do not and will not (a) conflict with (i) any Law, (ii) the Organizational Documents of Borrower, or (iii) any agreement, judgment, license, order or permit applicable to or binding upon Borrower in any material respect, (b) result in the acceleration of any Indebtedness owed by Borrower, or (c) result in the creation of any Lien upon any assets or properties of Borrower. Except for those which have been obtained, no consent, approval, authorization or order of, and no notice to or filing with, any Governmental Authority or third party is required in connection with the execution, delivery or performance by Borrower of this Amendment or to consummate any transactions contemplated hereby.

(d) When duly executed and delivered, each of this Amendment and the Credit Agreement will be a legal and binding obligation of Borrower, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or similar laws of general application relating to the enforcement of creditors' rights and by equitable principles of general application.

(e) The most recent financial statements of Borrower delivered to Lenders pursuant to Section 6.2(a) and (b) of the Credit Agreement fairly present Borrower's financial position as of the respective dates thereof. Copies of such financial statements have heretofore been delivered to each Lender. Since such date no Material Adverse Change has occurred in the financial condition or businesses or in the Consolidated financial condition or businesses of Borrower.

ARTICLE V.

MISCELLANEOUS

§5.1 Ratification of Agreements. The Original Credit Agreement as hereby amended is hereby ratified and confirmed in all respects. The Loan Documents, as they may be amended or affected by this Amendment, are hereby ratified and confirmed in all respects. Any reference to the Credit Agreement in any Loan Document shall be deemed to be a reference to the Original Credit Agreement as hereby amended. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of Lenders under the Credit Agreement, the Notes, or any other Loan

Document nor constitute a waiver of any provision of the Credit Agreement, the Notes or any other Loan Document.

§5.2 Survival of Agreements. All representations, warranties, covenants and agreements of Borrower herein shall survive the execution and delivery of this Amendment and the performance hereof, including without limitation the making or granting of the Loans, and shall further survive until all of the Obligations are paid in full. All statements and agreements contained in any certificate or instrument delivered by Borrower hereunder or under the Credit Agreement to any Lender shall be deemed to constitute representations and warranties by, and/or agreements and covenants of, Borrower under this Amendment and under the Credit Agreement.

§5.3 Loan Documents. This Amendment is a Loan Document, and all provisions in the Credit Agreement pertaining to Loan Documents apply hereto.

§5.4 Interpretive Provisions. Section 1.4 of the Credit Agreement is incorporated herein by reference herein as if fully set forth.

§5.5 Governing Law. This Amendment shall be governed by and construed in accordance with and governed by the laws of the State of California and the laws of the United States of America without regard to principles of conflicts of law.

§5.6 Counterparts; Fax. This Amendment may be separately executed in counterparts and by the different parties hereto in separate counterparts, each of which when so executed shall be deemed to constitute one and the same Amendment. This Amendment may be validly executed by facsimile or other electronic transmission.

THIS AMENDMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS OF THE PARTIES.

[*The remainder of this page has been intentionally left blank.*]

IN WITNESS WHEREOF, this Amendment is executed as of the date first above written.

BERRY PETROLEUM COMPANY,
Borrower

By: ______________________________
Shawn M. Canaday
Vice President of Finance, Treasurer and
Assistant Secretary

WELLS FARGO BANK, N.A.,
as Administrative Agent, LC Issuer, Swing Line Lender, and a Lender

By: ______________________________
Oleg Kogan
Director

BNP PARIBAS, as a Lender

By: ______________________________
Name:
Title:

By: ______________________________
Name:

Title:

SOCIÉTÉ GÉNÉRALE, as a Lender

By: ______________________________
Name:
Title:

JPMORGAN CHASE BANK, N.A., as a Lender

By: ______________________________
Name:
Title:

THE ROYAL BANK OF SCOTLAND plc, as a Lender

By: ______________________________
Name:
Title:

BANK OF MONTREAL, as a Lender

By: ______________________________
Name:
Title:

UNION BANK, N.A., as a Lender

By: ______________________________
Name:
Title:

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK, as a Departing Lender

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: ______________________________
Name:
Title:

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as a Lender

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

BANK OF SCOTLAND plc, as a Lender

By: ______________________________
Name:
Title:

NATIXIS, as a Lender

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

COMPASS BANK, as a Lender

By: ______________________________
Name:
Title:

CITIBANK, N.A., as a Lender

By: ______________________________
Name:
Title:

KEYBANK, NATIONAL ASSOCIATION, as a Lender

By: ______________________________
Name:
Title:

REGIONS BANK, as a Lender

By: ________________________
Name:
Title:

THE BANK OF NOVA SCOTIA, as a Lender

By: ________________________
Name:
Title:

ROYAL BANK OF CANADA, as a Lender

By: ________________________
Name:
Title:

BOKF, NA dba BANK OF OKLAHOMA
(successor to Bank of Oklahoma, N.A.), as a Lender

By: ________________________
Name:
Title:

EXHIBIT A TO THIRD AMENDMENT

SCHEDULE 1

LENDERS SCHEDULE

LENDER	PERCENTAGE SHARE		COMMITMENT
Wells Fargo Bank, N.A.	10.50%	$	126,000,000.00
BNP Paribas	7.08%	$	85,000,000.00
Société Générale	7.08%	$	85,000,000.00
JPMorgan Chase Bank, N.A.	7.08%	$	85,000,000.00
The Royal Bank of Scotland plc	7.08%	$	85,000,000.00
Bank of Montreal	5.92%	$	71,000,000.00
Citibank, N.A.	5.92%	$	71,000,000.00
Credit Suisse AG, Cayman Islands Branch	5.92%	$	71,000,000.00
Royal Bank of Canada	5.92%	$	71,000,000.00
Union Bank, N.A.	5.92%	$	71,000,000.00
U.S. Bank National Association	5.92%	$	71,000,000.00
Bank of Scotland	3.67%	$	44,000,000.00

BOKF, NA dba Bank of Oklahoma	3.67%	$	44,000,000.00
Compass Bank	3.67%	$	44,000,000.00
KeyBank, National Association	3.67%	$	44,000,000.00
Natixis	3.67%	$	44,000,000.00
Regions Bank	3.67%	$	44,000,000.00
The Bank of Nova Scotia	3.67%	$	44,000,000.00
TOTAL	**100.00%**	**$**	**1,200,000,000.00**

Berry Petroleum Company News

Berry Petroleum Announces Results for Third Quarter of 2011

Denver, Colorado. — (BUSINESS WIRE) — October 27, 2011 — Berry Petroleum Company (NYSE:BRY) reported net earnings of $134 million, or $2.42 per diluted share, for the third quarter of 2011. Oil and gas revenues were $225 million during the quarter. Discretionary cash flow for the quarter totaled $123 million and cash provided by operating activities totaled $165 million.

Net earnings for the quarter were affected by a net non-cash gain on hedges and a non-cash loss on extinguishment of debt which in total increased net earnings by approximately $90 million, or $1.63 per diluted share for a third quarter adjusted net earnings of $44 million, or $0.79 per diluted share.

For the third quarter of 2011 and the second quarter of 2011, Berry's average net production in BOE per day was as follows:

	Third Quarter Ended September 30 2011 Production		Second Quarter Ended June 30 2011 Production	
Oil (Bbls)	26,091	71%	24,629	69%
Natural Gas (BOE)	10,825	29%	10,977	31%
Total BOE per day	36,916	100%	35,606	100%

Robert Heinemann, president and chief executive officer said, "Berry's development program delivered a six percent increase in oil production during the third quarter. Production for the third quarter of 2011 was 36,916 BOE/D, representing growth of four percent over the second quarter of 2011 driven by increases in the Permian and California. Our quarterly operating margin of $47 per barrel was driven by our oil production, which increased to 71% of total production, and by sustained favorable pricing in California that averaged $12 over WTI. In addition, we continue to be encouraged by the Company's potential in the Uinta Basin where we have drilled five Uteland Butte horizontal wells with strong initial production results. We have also made progress on the evaluation of our Wasatch potential.

Mr. Heinemann continued, "Like other California producers, we are being impacted by today's regulatory environment in California. While Berry received approval for our full diatomite development in the third quarter, the pace of drilling and steam injection is being slowed by the new, more stringent operating requirements of the state regulatory agencies. While this will impact our development pace in the near term, our estimates of well performance and ultimate recovery for the asset remain unchanged."

"We are investing additional capital in our other assets to compensate for the slower pace of development in the diatomite. We were not able to shift our capital soon enough to make up for this impact and are lowering our production forecast to approximately 10% growth for 2011 with full-year capital expenditures of over $500 million. Looking forward to 2012, we plan to maintain our strategic focus on oil development, expect to deliver double-digit growth in production and cash flow, and invest capital within cash flow."

BRY LISTED NYSE

Contact: Berry Petroleum Company
1999 Broadway, Suite 3700
Denver, Colorado 80202

Internet: www.bry.com

Investors and Media
David Wolf, 1-303-999-4400
Shawn Canaday, 1-866-472-8279

SOURCE: Berry Petroleum Company

Operational Update

Michael Duginski, executive vice president and chief operating officer, stated, "In the Permian, we executed a five rig program and drilled 20 wells during the quarter. Production in the Permian increased by 35% over the second quarter of 2011 to average 5,200 BOE/D. We have been actively leasing in the Permian to increase our long-term inventory, and through the end of the third quarter, we accumulated about 11,000 additional net acres at approximately $900 per acre. With these acquisitions, our total net acreage in the Permian is now approximately 38,000 acres. During the second half of 2011 we have drilled and completed a majority of our Permian wells below the Wolfcamp in the deeper zones including the Strawn, Atoka and Mississippian. While the deeper drilling comes at an additional cost, well results to date have demonstrated increased expected EURs that justify this additional investment with development costs of between $10 and $15 per BOE. Additionally, we have continued to experience capital cost pressures, primarily related to pressure pumping services in the Permian."

"In Utah, we have a total of four Uteland Butte horizontal wells. The average initial production rates of these wells are in line with our expectations. We will add five more Uteland horizontals in the fourth quarter including our first operated well which recently came online. The Company also completed six Wasatch vertical wells in the quarter with initial production averaging 100 BOED. We will add 12 additional Wasatch wells in the fourth quarter including two delineation wells which will improve our understanding of the productivity and the extent of the Wasatch potential on our approximate 200,000 gross acre position."

"In the diatomite, average production increased by 8% during the quarter to 3,820 BOE/D. As we have described previously, the N. Midway-Sunset diatomite reservoir is very shallow and produces oil, in part, by compaction. Utilizing cyclic steam injection in this unique reservoir requires closely monitored steam volumes to minimize steam to surface as well as wellbore failures. Berry is adjusting its development plans to meet these requirements and will be compelled to proceed at a slower pace. We now expect full-year 2011 production in the range of 36,000 BOED."

Financial Update

David Wolf, executive vice president and chief financial officer, stated “We completed two notable financial transactions in recent months. In the third quarter of 2011, we repurchased $95 million aggregate principal amount of our 10.25% Senior Notes due 2014 in the open market at a total cost of $106 million using availability under our credit facility. We realized a cash charge of $11 million and a non-cash charge of $3 million during the third quarter as a result of the retirement of these notes. These repurchases allow us to reduce our annual interest costs in the near-term and reduce the size of the 2014 maturity. We may make additional repurchases of our notes depending on market conditions, liquidity and other factors. Additionally, we completed our semi-annual credit facility redetermination on October 26, 2011. Total commitments increased to $1.2 billion from $875 million at our last redetermination and our borrowing base remains unchanged at $1.4 billion. The increased commitments were provided by existing lenders. Our liquidity after completing the redetermination and open market notes repurchases is approximately $750 million.”

2011 Guidance

For 2011 the Company is issuing the following per BOE guidance:

	Anticipated range in 2011	Three Months 9/30/2011
Operating costs — oil and gas production	$ 16.50 - 18.50	$ 18.25
Production taxes	2.00 - 3.00	2.70
DD&A — oil and gas production	16.00 - 18.00	16.07
General and administrative	4.00 - 5.00	4.39
Interest expense	5.25 - 6.25	5.87
Total	$ 43.75 - 50.75	$ 47.28

Explanation and Reconciliation of Non-GAAP Financial Measures

Discretionary Cash Flow ($ millions):

	Three Months Ended 9/30/2011	Three Months Ended 6/30/2011
Net cash provided by operating activities	$ 165.4	$ 106.1
Add back: Net increase (decrease) in current assets	6.5	5.7
Add back: Net decrease (increase) in current liabilities including book overdraft	(49.1)	8.8
Discretionary cash flow	$ 122.8	$ 120.6

Third Quarter Adjusted Net Earnings ($ millions):

	Three Months Ended 9/30/2011
Adjusted net earnings	$ 44.0
After tax adjustments:	
Non-cash hedge gain	99.0
Extinguishment of debt	(9.0)
Net earnings, as reported	$ 134.0

Operating Margin Per BOE:

	Three Months Ended 9/30/2011	Three Months Ended 6/30/2011
Average sales price including cash derivative settlements	$ 67.62	$ 66.90
Operating cost - oil and gas production	18.25	18.14
Production Taxes	2.70	2.58
Operating margin	$ 46.67	$ 46.18

Teleconference Call

An earnings conference call will be held Thursday, October 27, 2011 at 11:00 a.m. Eastern Time (9:00 a.m. Mountain Time). Dial 866-804-6922 to participate, using passcode 53519032. International callers may dial 857-350-1668. For a digital replay available until November 3, 2011 dial 888-286-8010 passcode 82827891. Listen live or via replay on the web at www.bry.com.

About Berry Petroleum Company

Berry Petroleum Company is a publicly traded independent oil and gas production and exploitation company with operations in California, Colorado, Texas and Utah. The Company uses its web site as a channel of distribution of material company information. Financial and other material information regarding the Company is routinely posted on and accessible at http://www.bry.com/index.php?page=investor.

Safe harbor under the “Private Securities Litigation Reform Act of 1995”

Any statements in this news release that are not historical facts are forward-looking statements that involve risks and uncertainties. Words such as “estimate”, “expect”, “would,” “will,” “target,” “goal,” “potential,” and forms of those words and others indicate forward-looking statements. These statements include but are not limited to forward-looking statements about acquisitions and the expectations of plans, strategies, objectives and anticipated financial and operating results of the Company, including the Company's drilling program, production, resources, hedging activities, capital expenditure levels and other guidance included in this press release. These statements are based on certain assumptions made by the Company based on management's experience and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. Important factors which could affect actual results are discussed in the Company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Non-GAAP Financial Measures

This press release includes discussion of "discretionary cash flow," " adjusted net earnings" and "operating margin per BOE," each of which are "non-GAAP financial measures" as defined in Item 10 of Regulation S-K of the Securities Exchange Act of 1934, as amended. We believe that discretionary cash flow provides additional information to investors about our ability to meet future requirements for debt service, capital expenditures and working capital. Adjusted net earnings is useful for evaluating our operational performance from oil and natural gas properties, prior to non-cash gains or losses on hedges. Operating margin for BOE provides information about our per BOE operating profit based on operating expenses and taxes directly attributable to production. These measures should not be considered in isolation or as a substitute for cash flows from operating activities, net income, operating income or any other measure of financial performance presented in accordance with GAAP or as a measure of a company's profitability or liquidity, and may not be comparable to similarly titled measures used by other companies.

CONDENSED INCOME STATEMENTS

(In thousands, except per share data)

(unaudited)

	Three Months Ended	
	9/30/2011	6/30/2011
REVENUES		
Sales of oil and gas	$ 225,325	$ 230,760
Sales of electricity	9,826	7,964
Gas marketing	3,612	3,985
Interest and other income, net	463	803
	239,226	243,512
EXPENSES		
Operating costs - oil and gas production	61,979	58,780
Operating costs - electricity generation	6,965	6,891
Production taxes	9,185	8,350
Depreciation, depletion & amortization - oil and gas production	54,581	51,967
Depreciation, depletion & amortization - electricity generation	487	491
Gas marketing	3,285	3,674
General and administrative	14,922	15,910
Interest	19,928	17,712
Dry hole, abandonment, impairment and exploration	196	310
Extinguishment of Debt	14,391	—
Realized and unrealized (gain) loss on derivatives, net	(162,145)	(91,808)
	23,774	72,277
Earnings (loss) before income taxes	215,452	171,235
Income tax provision (benefit)	81,451	66,069
Net earnings (loss)	$ 134,001	$ 105,166
Basic net earnings (loss) per share	$ 2.45	$ 1.93
Diluted net earnings (loss) per share	$ 2.42	$ 1.90
Dividends per share	$ 0.080	$ 0.075

CONDENSED BALANCE SHEETS

(In thousands)

(unaudited)

	9/30/2011	12/31/2010
ASSETS		
Current assets	176,152	142,866
Oil and gas properties, buildings and equipment, net	3,076,894	2,655,792
Derivative instruments	34,703	2,054
Other assets	31,462	37,904
	$ 3,319,211	$ 2,838,616
LIABILITIES AND SHAREHOLDERS' EQUITY		

Current liabilities	237,022	270,651
Deferred income taxes	421,396	329,207
Long-term debt	1,336,729	1,108,965
Derivative instruments	—	33,526
Other long-term liabilities	79,691	71,714
Shareholders' equity	1,244,373	1,024,553
	$ 3,319,211	$ 2,838,616

CONDENSED STATEMENTS OF CASH FLOWS

(In thousands)

(unaudited)

	Three Months Ended	
	9/30/2011	6/30/2011
Cash flows from operating activities:		
Net (loss) earnings	$ 134,001	$ 105,166
Depreciation, depletion and amortization	55,068	52,458
Extinguishment of debt	3,377	—
Amortization of debt issuance costs and net discount	2,056	2,106
Dry hole and impairment	18	298
Derivatives	(159,179)	(104,963)
Stock-based compensation expense	2,012	2,387
Deferred income taxes	85,524	63,893
Other, net	972	(5)
Cash paid for abandonment	(1,057)	(761)
Change in book overdraft	1,337	(714)
Net changes in operating assets and liabilities	41,239	(13,777)
Net cash provided by operating activities	165,368	106,088
Cash flows from investing activities:		
Exploration and development of oil and gas properties	(152,711)	(140,761)
Property acquisitions	(9,982)	(143,048)
Capitalized interest	(5,572)	(8,272)
Net cash used in investing activities	(168,265)	(292,081)
Net cash provided by financing activities	2,743	186,161
Net increase (decrease) in cash and cash equivalents	(154)	168
Cash and cash equivalents at beginning of period	248	80
	$ 94	$ 248

COMPARATIVE OPERATING STATISTICS

(unaudited)

	Three Months Ended		
	9/30/2011	6/30/2011	Change
Oil and gas:			
Heavy oil production (BOE/D)	18,173	17,670	
Light oil production (BOE/D)	7,918	6,959	
Total oil production (BOE/D)	26,091	24,629	
Natural gas production (Mcf/D)	64,950	65,859	
Total (BOE/D)	36,916	35,606	
Oil and gas, per BOE:			
Average realized sales price	$ 66.74	$ 71.07	-6%
Average sales price including cash derivative settlements	67.62	66.90	1%
Oil, per Bbl:			
Average WTI price	$ 89.48	$ 102.34	-13%
Price sensitive royalties	(3.37)	(3.85)	
Quality differential and other	4.45	(0.83)	
Crude oil derivatives non-cash amortization	(6.56)	(6.72)	
Oil revenue	$ 84.00	$ 90.94	-8%
Add: Crude oil derivatives non cash amortization	6.56	6.72	
Crude oil derivative cash settlements	(6.32)	(13.71)	
Average realized oil price	$ 84.24	$ 83.95	0%

Natural gas price:			
Average Henry Hub price per MMBtu	$ 4.20	$ 4.32	-3%
Conversion to Mcf	0.21	0.21	
Natural gas derivatives non cash amortization	0.02	0.03	
Location, quality differentials and other	(0.18)	(0.17)	
Natural gas revenue per Mcf	$ 4.25	$ 4.39	-3%
Add: Natural gas derivatives non cash amortization	(0.02)	(0.03)	
Natural gas derivative cash settlements	0.42	0.39	
Average realized natural gas price per Mcf	$ 4.65	$ 4.75	-2%
Operating cost - oil and gas production	$ 18.25	$ 18.14	1%
Production Taxes	2.70	2.58	
Total operating costs	$ 20.95	$ 20.72	1%
DD&A - oil and gas production	16.07	16.04	0%
General & administrative	4.39	4.91	-11%
Interest Expenses	$ 5.87	$ 5.47	7%

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