

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

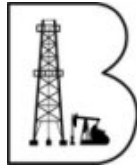
Washington, D.C. 20549

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): May 19, 2009



BERRY PETROLEUM COMPANY

(Exact Name of Registrant as Specified in its Charter)

DELAWARE
(State or Other Jurisdiction of
Incorporation or Organization)

1-9735
(Commission File Number)

77-0079387
(IRS Employer
Identification Number)

1999 BROADWAY, SUITE 3700, DENVER, COLORADO
(Address of Principal Executive Offices)

80202
(Zip Code)

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

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:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry Into a Material Definitive Agreement

On May 19, 2009, Berry Petroleum Company (NYSE:BRY) ("Company") entered into an agreement to sell its East Texas gas gathering system to Velocity East Texas Gathering, LLC for \$18.5 million in cash. The Company will enter into a concurrent long-term gas gathering agreement for its East Texas production. The transaction is expected to close in June 2009. The completion of the transaction is subject to certain conditions and there is no assurance that all such conditions will be satisfied. The news release is attached hereto as Exhibit 99.1, which is incorporated by reference in its entirety.

Item 8.01 - Other Events

The Company also announced that its board of directors has authorized a \$32 million increase to its 2009 capital budget, now totaling approximately \$132 million.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99.1 - News Release by Berry Petroleum Company dated May 20, 2009, titled "Berry Petroleum Agrees to Sell East Texas Midstream Assets."

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/ Kenneth A. Olson

Kenneth A. Olson

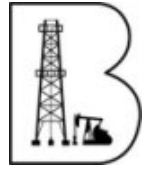
Corporate Secretary

Date: May 19, 2009



Berry Petroleum Company News

Berry Petroleum Company
1999 Broadway, Suite 3700
Denver, CO 80202
303-999-4400



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Berry Petroleum Agrees to Sell East Texas Midstream Assets

Increases 2009 Capital Budget to \$132 million

Denver – (BUSINESS WIRE) – May 20, 2009 -- Berry Petroleum Company (NYSE:BRY) (“Company”) today announced that it has entered into an agreement to sell its East Texas gas gathering system to a private party for \$18.5 million in cash. The Company will enter into a concurrent long-term gas gathering agreement for its East Texas production. The transaction is expected to close in June 2009. The completion of the transaction is subject to certain conditions and there is no assurance that all such conditions will be satisfied.

In addition, the Company announced that its board of directors has authorized a \$32 million increase to its 2009 capital budget now totaling approximately \$132 million.

Mr. Heinemann, president and chief executive officer said, “Our significantly improved financial position has enabled us to allocate more capital to our highest rate of return projects. Proceeds from the sale of the East Texas midstream asset will partially offset the increase in our capital spending. We continue to project that debt repayment for the balance of the year will be approximately \$60 million.”

About Berry Petroleum Company

Berry Petroleum Company is a publicly traded independent oil and gas production and exploitation company with operations in California, Utah, Colorado and Texas.

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 "expected," "project," and forms of those words and others indicate forward-looking statements. Important factors which could affect actual results are discussed in PART 1, Item 1A. Risk Factors of Berry's 2008 Form 10-K filed with the Securities and Exchange Commission on February 25, 2009 under the heading "Other Factors Affecting the Company's Business and Financial Results," and updated in the Company's Form 10-Q filings subsequent to that date.

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