

BERRY PETROLEUM COMPANY

October 2012 Company Update



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Safe Harbor and Cautionary Note



Safe Harbor Under the Private Securities Litigation Reform Act of 1995

This presentation contains forward-looking statements concerning expectations about the Company's future business and results of operations. Words such as "anticipate," "can," "could," "will," "intend," "continue," "target(s)," "expect," "achieve," "strategy," "future," "estimated," or other comparable words or phrases or the negative of those words, and other words of similar meaning indicate forward-looking statements. These statements include but are not limited to forward-looking statements about acquisitions of properties, expectations of plans, strategies, objectives and anticipated financial and operating results of the Company. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including those discussed under "Risk Factors" in the Company's SEC filings, which could cause its actual results to differ from those projected in any forward-looking statements that it makes. The Company believes that it is important to communicate its future expectations. However, there may be events in the future that the Company is unable to accurately predict or control and that may cause its actual results to differ materially from the expectations describe in its forward-looking statements. Forward-looking statements speak only as of the date of such statement.

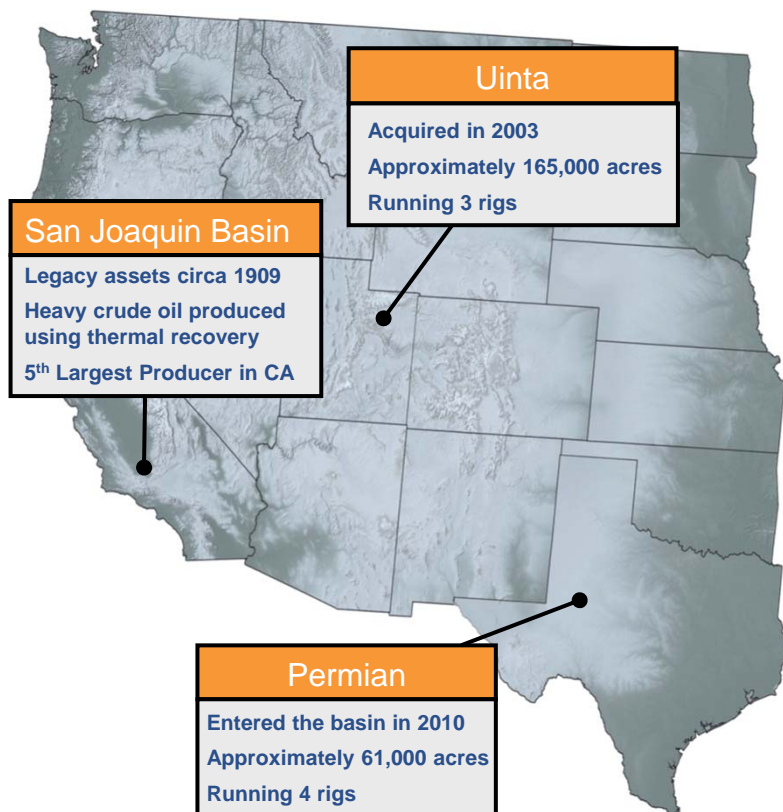
Cautionary Note Regarding Hydrocarbon Disclosures

The U.S. Securities and Exchange Commission (SEC) requires oil and gas companies, in filings made with the SEC, to disclose proved reserves, which are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible – from a given date forward, from known reservoirs, under existing economic condition, operating methods, and governmental regulations. Beginning with year-end reserves for 2009, the SEC permits the optional disclosure of probable and possible reserves. The SEC defines "probable" reserves as "those additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are as likely as not to be recovered." The SEC defines "possible" reserves as "those additional reserves that are less certain to be recovered than probable reserves." The Company applies these definitions in estimating probable and possible reserves. Statements of reserves are only estimates and may not correspond to the ultimate quantities of oil and gas recovered. Any estimates provided in this presentation that are not specifically designated as being estimates of reserves may include estimated quantities not necessarily calculated in accordance with, or contemplated by, the SEC's reserve reporting guidelines. The Company uses terms describing hydrocarbon quantities in this presentation including "oil in place," "resource," "risked resource," "EURs (Estimated Ultimate Recovery)," and "barrels in place" that the SEC's guidelines prohibit it from including in filings with the SEC. These estimates are by their nature more speculative than estimates of reserves prepared in accordance with SEC definitions and guidelines and accordingly are substantially less certain. Investors are urged to consider closely the reserves disclosures in the Company's Annual Report on Form 10-K for the year ended December 31, 2011.

Unless otherwise stated, hydrocarbon volume estimates have not been risked by Company management. Factors affecting ultimate recovery include the scope of the Company's ongoing drilling program, which will be directly affected by the availability of capital, drilling and production costs, commodity prices, availability of drilling services and equipment, drilling results, lease expirations, transportation constraints, regulatory approvals and other factors, and actual drilling results, including geological and mechanical factors affecting recovery rates. Accordingly, actual quantities that may be ultimately recovered from the Company's interests will differ substantially from its estimates of potential reserves, and could be significantly less than its targeted recovery rate. In addition, the Company's estimates of reserves may change significantly as development of its resource plays and prospects provide additional data.

Company Profile

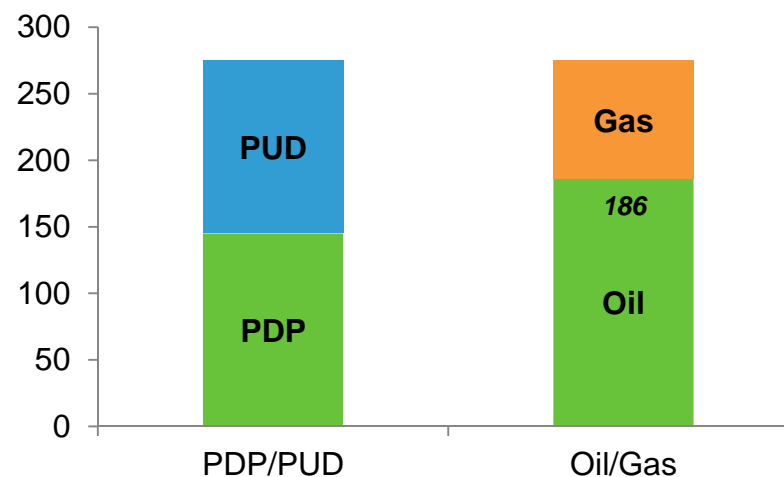
Developing Oil Assets in 3 Major Basins



Key Statistics

	<u>2011</u>	<u>2012E</u>	<u>2013E</u>
Production (BOED)	35,687	~36,200	+5 - 10%
• Oil	24,771	~28,000	+10 - 15%
• Oil Percentage	70%	75%	~80%
Total Capital	\$527 MM	~\$650 MM	\$500 - \$600 MM

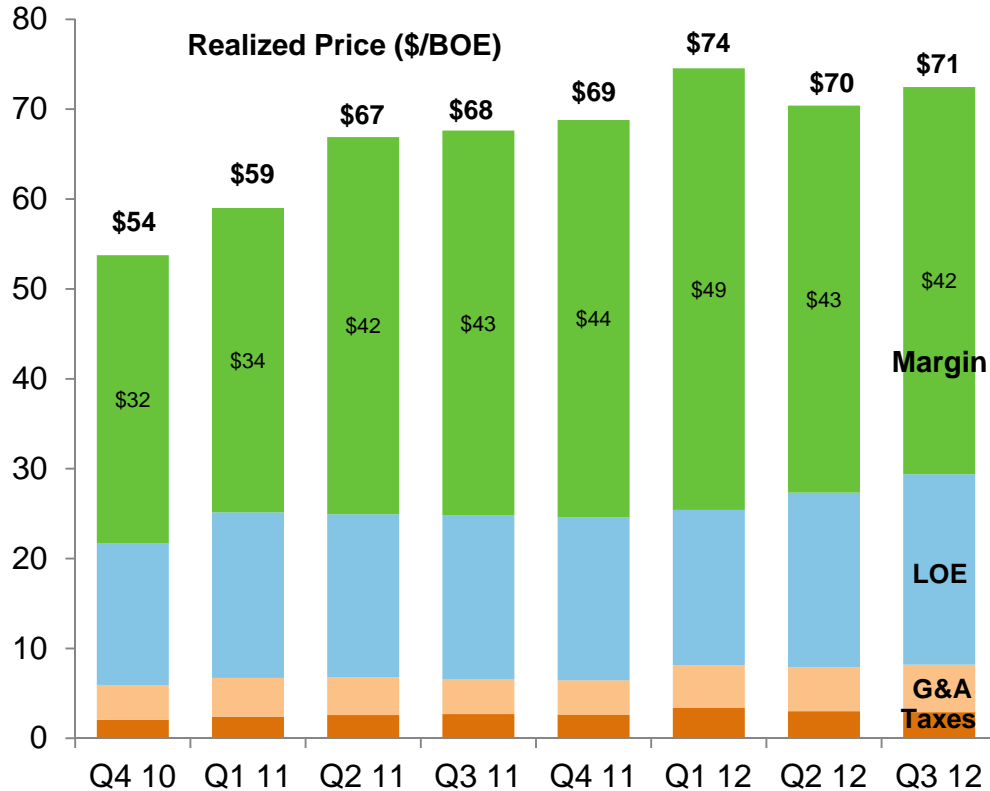
Proved Reserves, MMBOE



Berry's Oil-Driven Margins

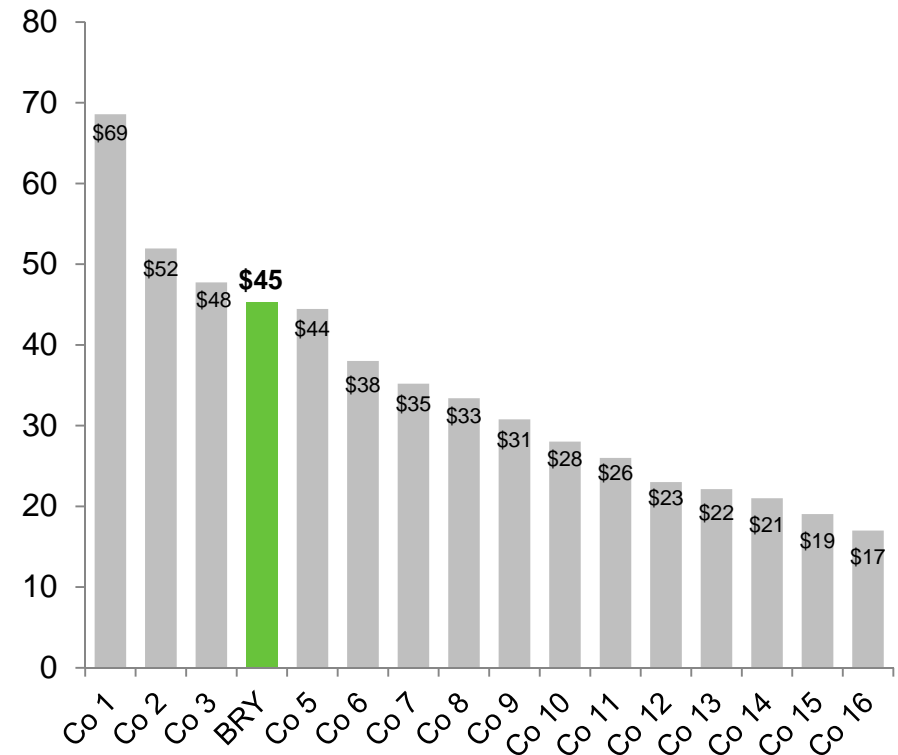


Cash Margin History



* Excludes stock-based comp

Cash Margin, BRY vs. Peers, YTD



* Peers include: BBG, COG, DNR, FST, KWK, LPI, NFX, PXP, ROSE, SD, SFY, SGY, SM, WLL, XEC

California Summary

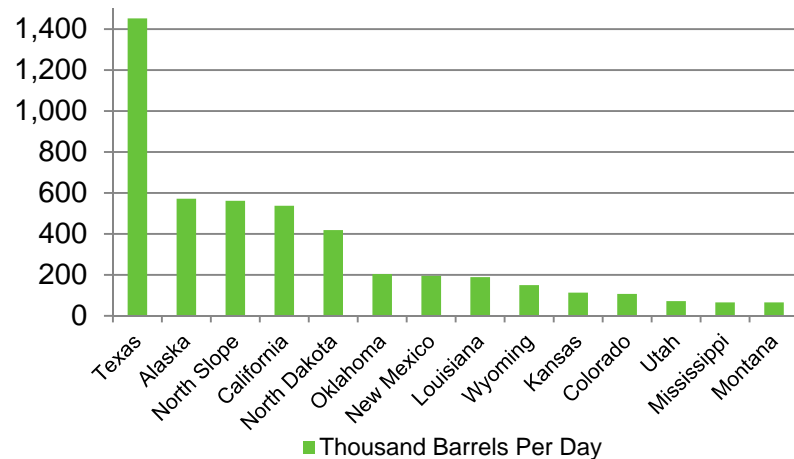
Favorable Supply / Demand Environment



Facts

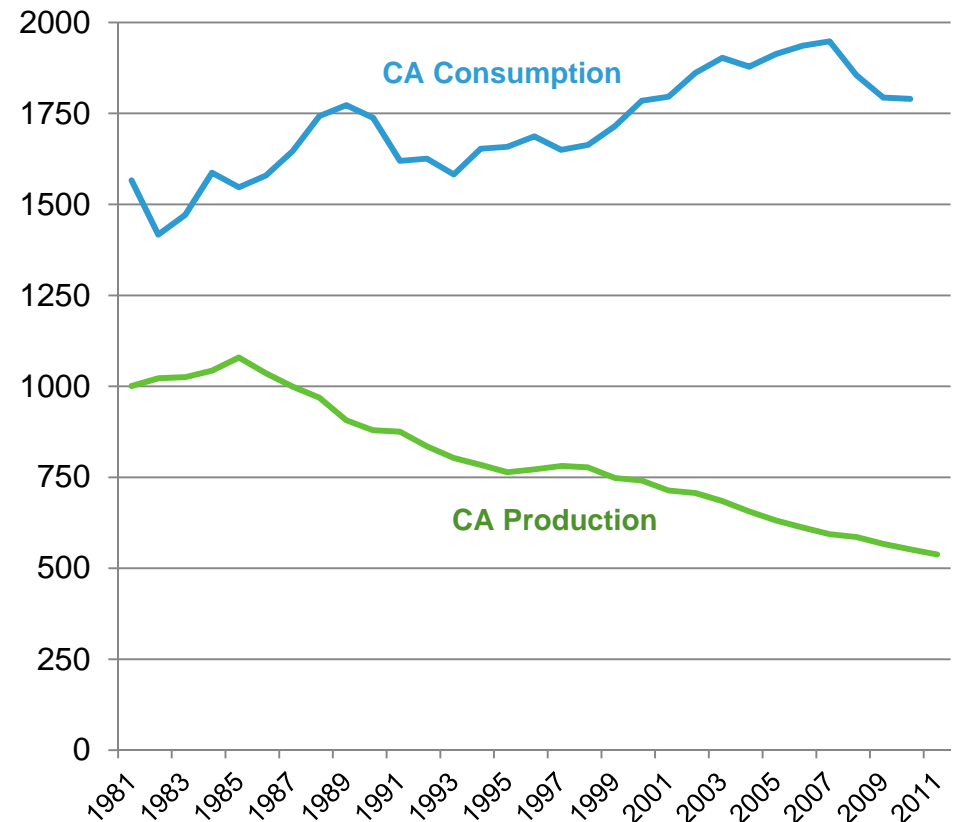
- Berry has produced over 200 MMBOE in the San Joaquin Valley since 1909
- California ranked third in 2011 U.S. onshore crude oil production, despite an overall decline in production rates since the mid-1980s
- California consumes ~1.8 MMBOD; ~30% is produced in-state; ~70% is imported, primarily from Saudi Arabia, Iraq, Ecuador, and Alaska
- As California and Alaska's crude production have declined, Berry's production has increased

Crude Oil Production by State



Source: 2011 EIA Rankings

California Production & Consumption of Crude Oil, MMBOD



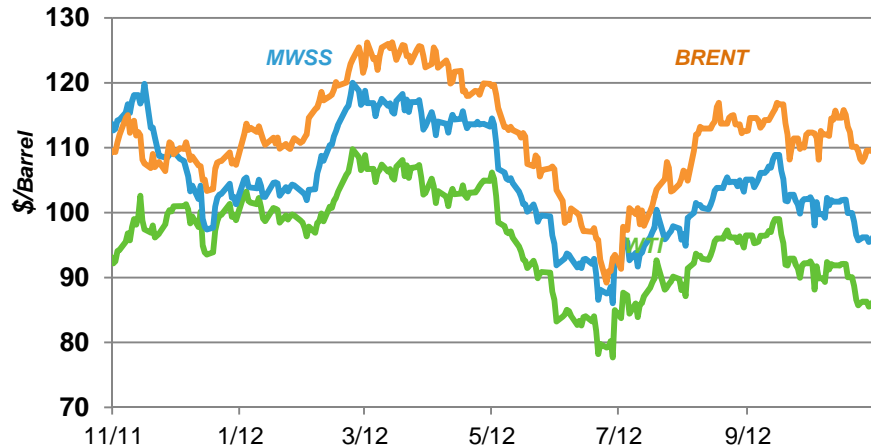
Source: 2011 EIA Rankings

California Crude Oil Fundamentals

~\$70 / BOE Margins at Current Prices



Brent / Midway-Sunset / WTI Crude Pricing

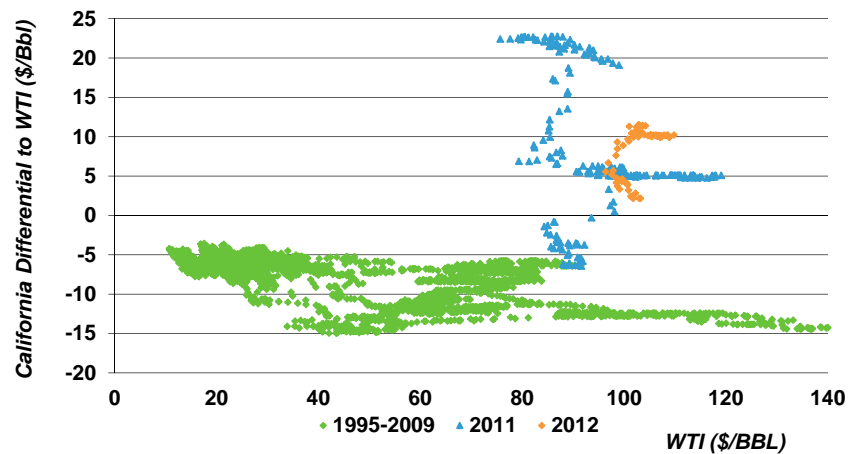


CA Gross Operated Oil Production (MBbl/D)

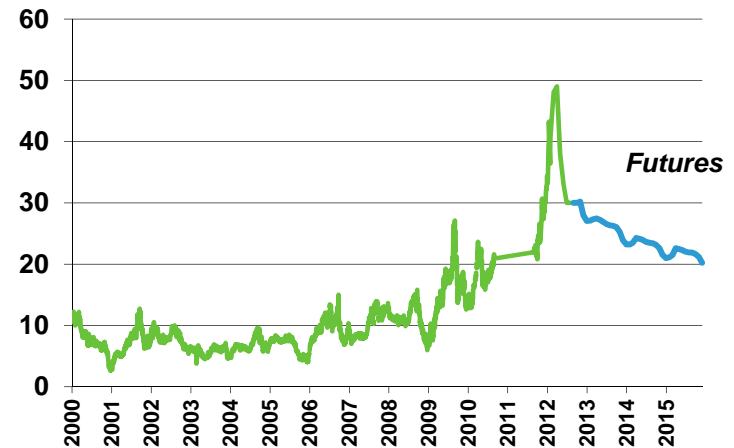
	<u>2011</u>	<u>2012</u>
Chevron	160	155
Aera (Shell/Exxon)	146	137
Oxy	104	106
Plains	34	33
Berry	19	19
Seneca	7	7
Top 6 Producers	470	457

Source: CA Division of Oil, Gas & Geothermal Resources; 2012 Data Through April

15-Year California Differential vs. WTI

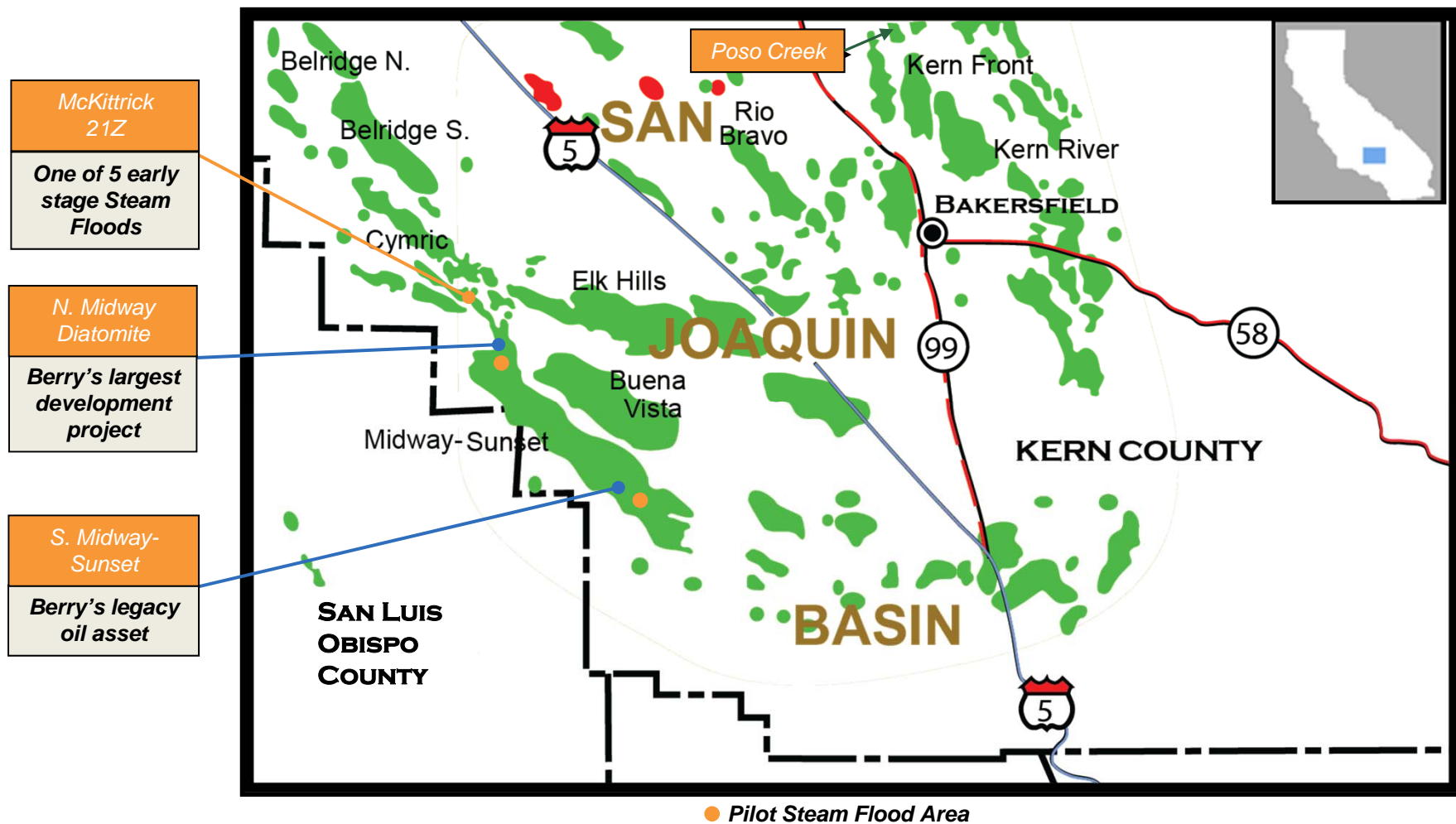


Oil to Gas Price Ratio



Berry's California Assets

~1 Billion Barrels of Oil in Place Under Development



S. Midway-Sunset

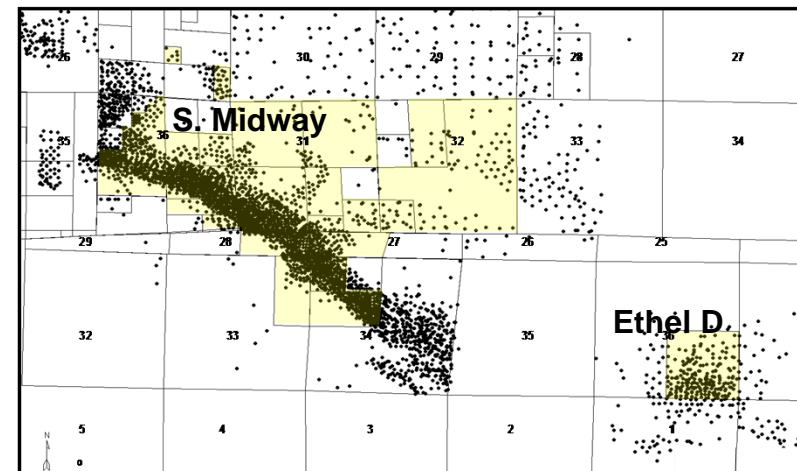
Free Cash Flow Funds Berry's Development



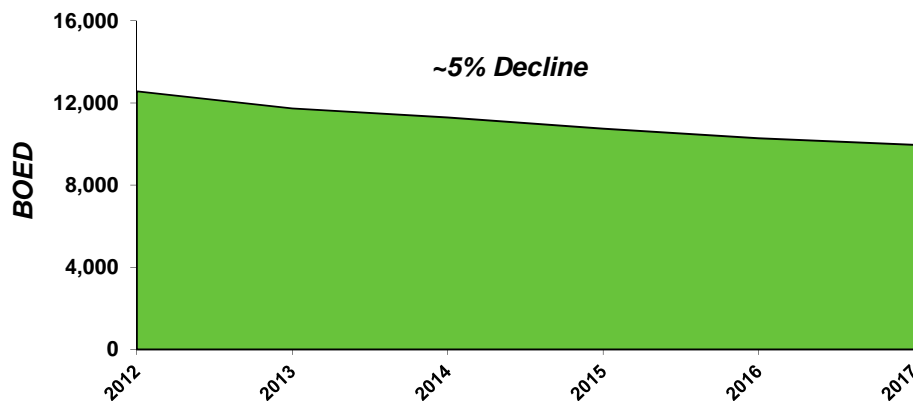
Asset Highlights

- Stable production from legacy assets in the 9th largest field in the U.S.
- 12,700 BOPD from 3,475 acres, 92% NRI
- Heavy crude (13° API) produced using steam injection with development focused on deeper pay zones and continuous injection in flanks
- Berry's California assets have low IP rates and a very shallow decline in the 6% - 9% range
- S. Midway asset team should deliver over \$200 MM of cash flow in 2012

S. Midway-Sunset Field Map

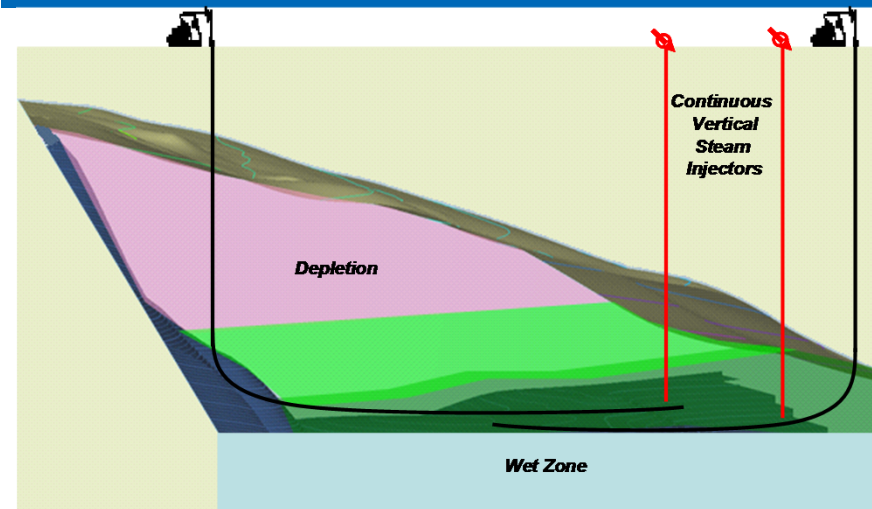


South Midway Asset Team



Includes: Homebase, Formax, Ethel D, Placerita, Poso Creek

Continuous Steam Injection at S. Midway



Diatomite Resource

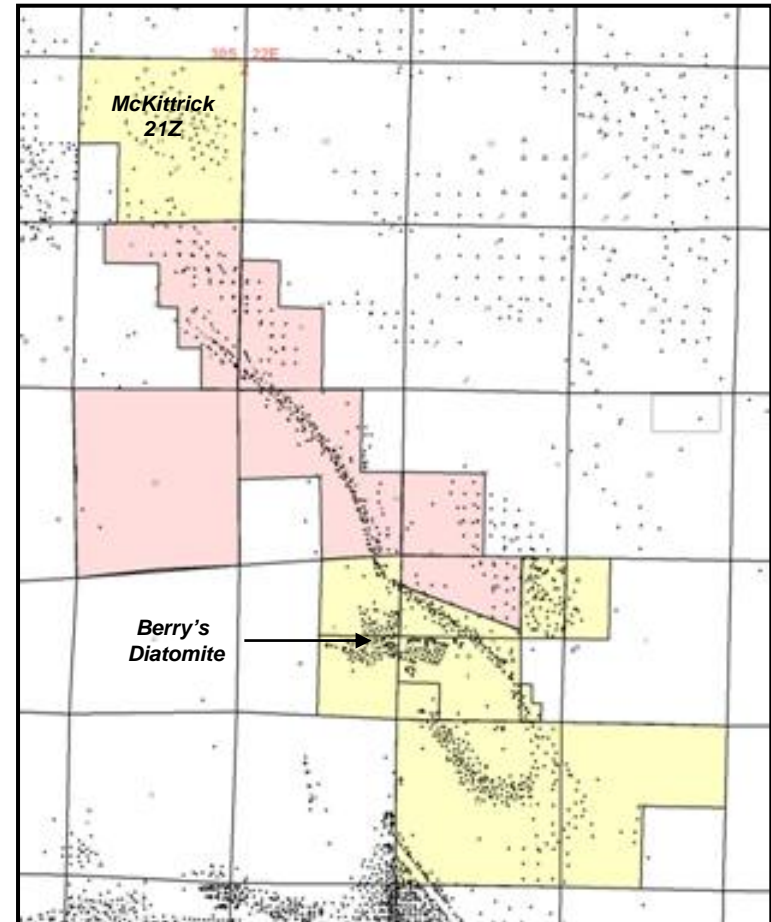
360 Million Barrels in Place on 540 acres



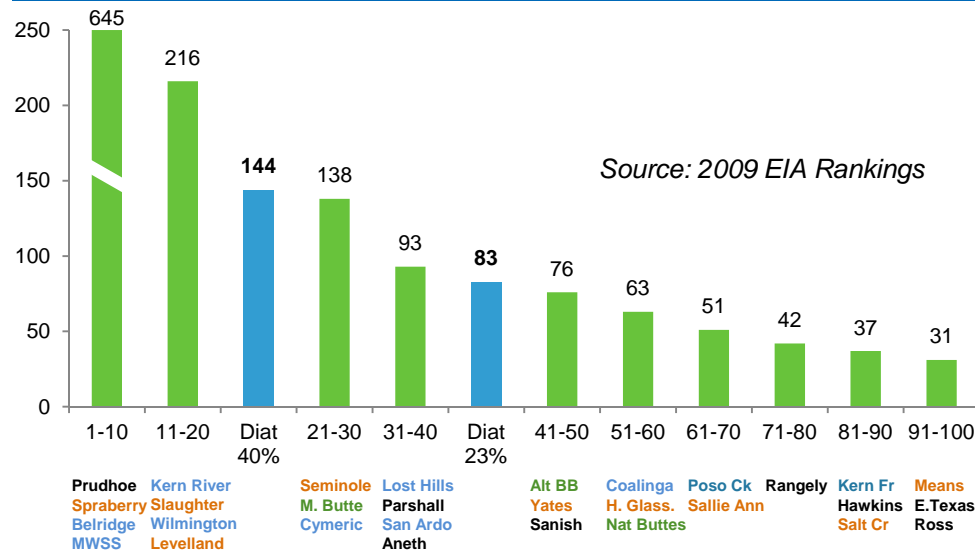
Asset Highlights

- 540 acres, 100% working interest, 90% NRI
- 360 million barrels of oil in place, targeting 23% - 40% recovery or 83 – 144 MMBOE
- Diatomite contains 15° API gravity heavy oil
- Average drilling depth of 800 feet
- Targeting 1,000 wells on 5/8 acre spacing

Diatomite Field Map

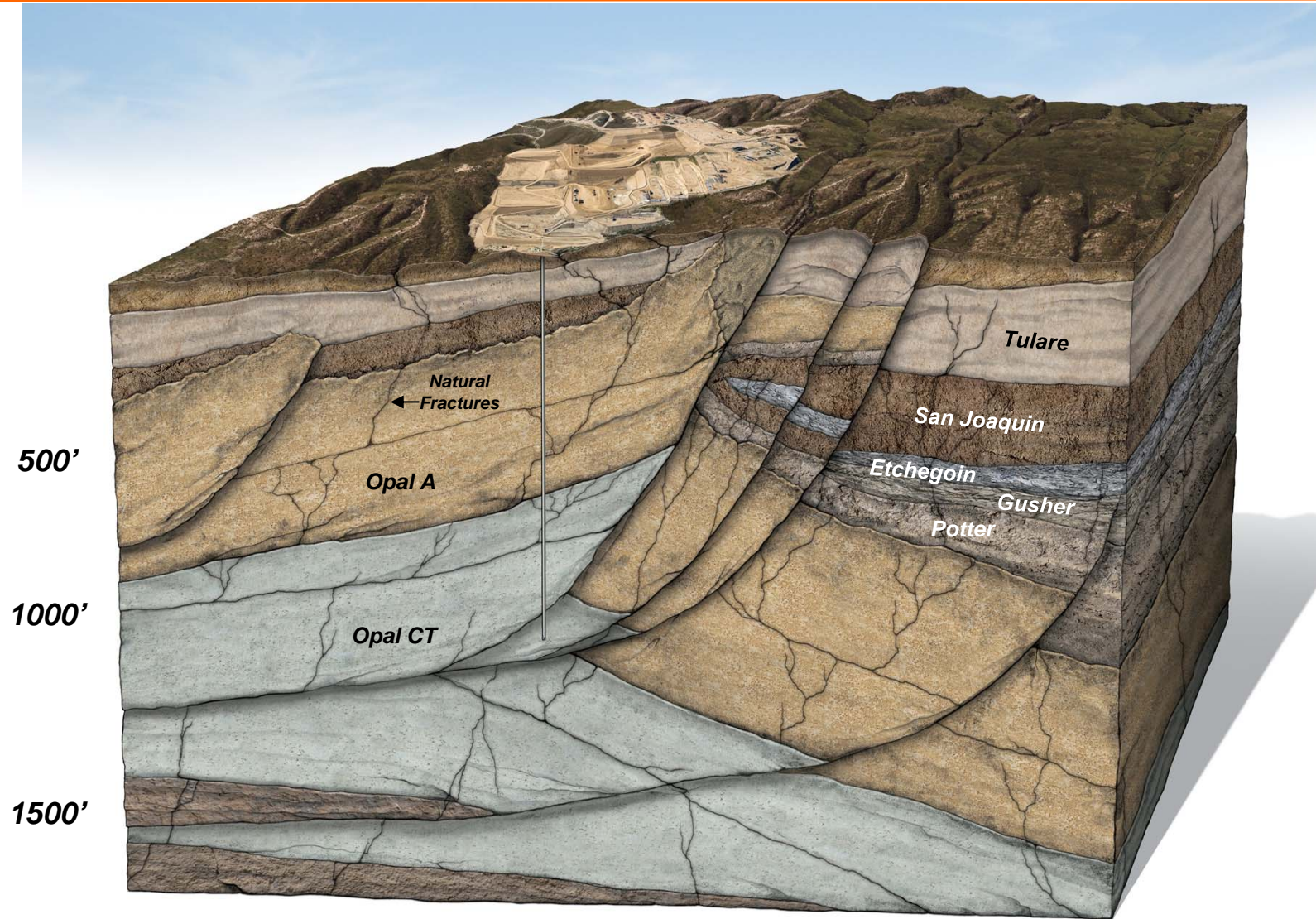


Largest U.S. Oil Fields by Proved Reserves, MMBOE



Diatomite Resource

Shallow Wells Target Thick Pay



Diatomite Update

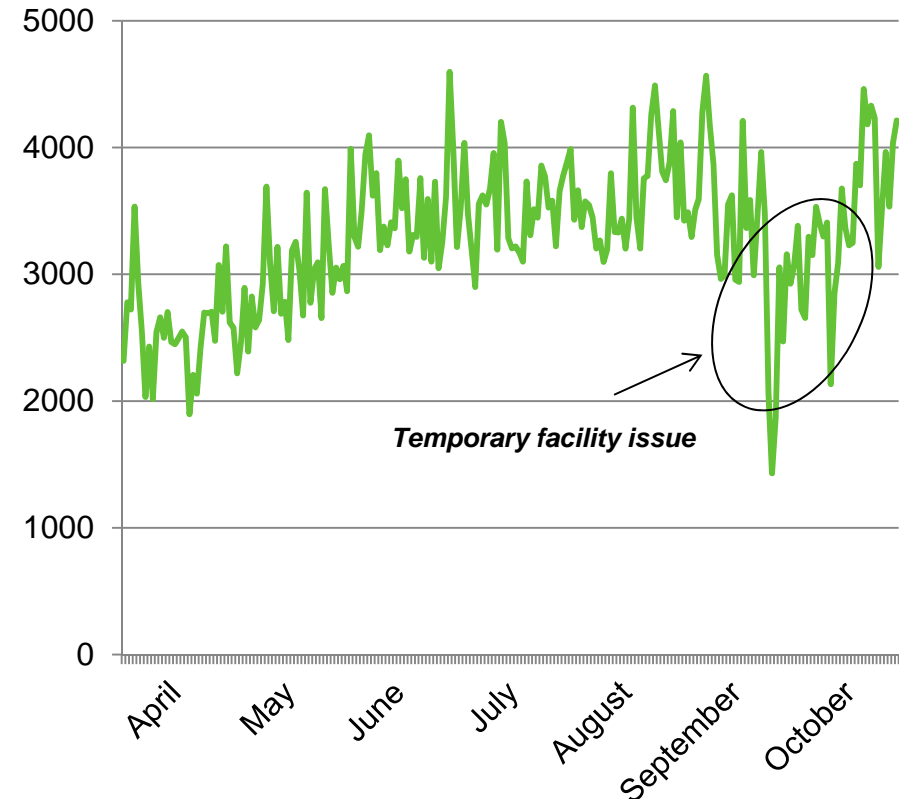
Drivers to Steady, Reliable Growth with Same Recovery



2013 Plan

- ~175 new wells to drill in 2013 plan
- Accelerated future pad development and infrastructure, which enables flexibility to accelerate drilling
- Continuing to increase reliability from real-time reservoir surveillance technology, including real-time asset performance
- Continuing to optimize injections to minimize wellbore stress; 2012 results have shown significant progress
- Upside comes from increased recovery and lower steam oil ratio (SOR)

2012 Production History, BOPD



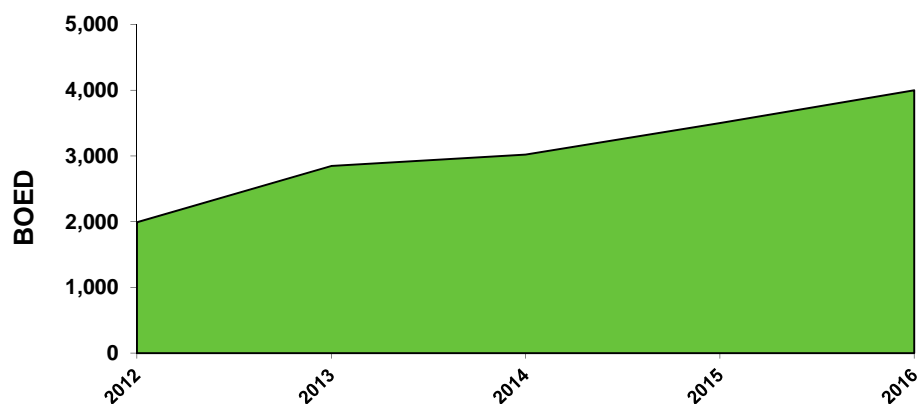
Next Generation Heavy Oil Projects



Commentary

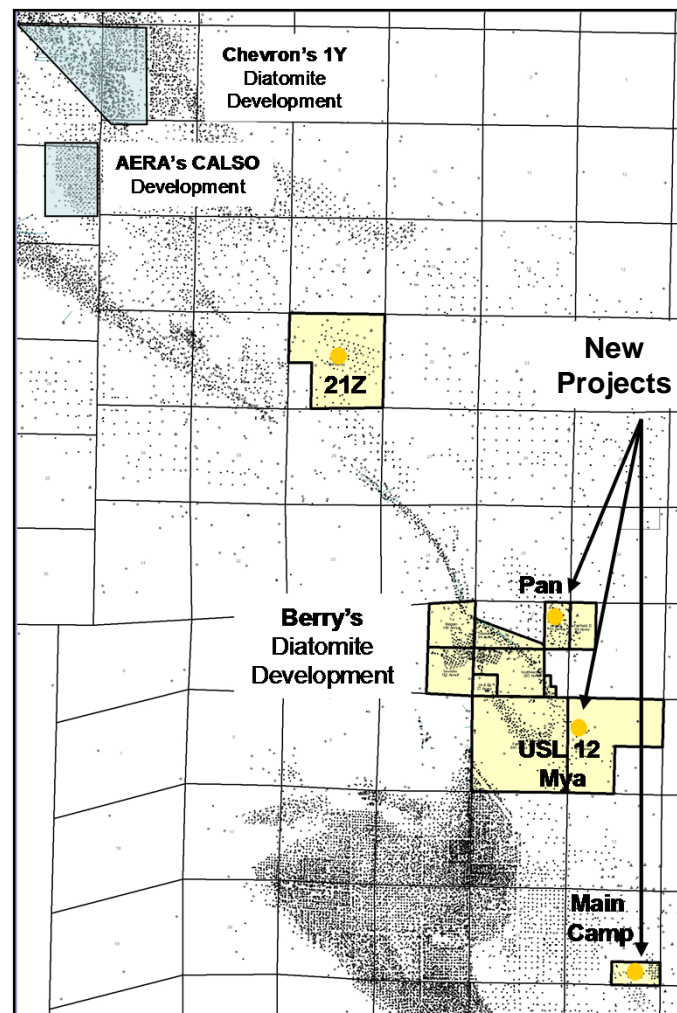
- Next generation heavy oil projects target higher viscosity oil with higher SOR and tighter spacing than traditional Midway-Sunset developments
- 50-well development in 2012 at 21Z
- Berry's other steam flood projects (Pan, Mya, Fairfield, Main Camp) are progressing
- Permitting is not expected to impact development
- Berry seeks to acquire similar small bolt-on opportunities

Production Forecast for N. Midway Projects (BOED)



Includes: 21z, Pan, Mya, Fairfield, Main Camp

Project Locator Map



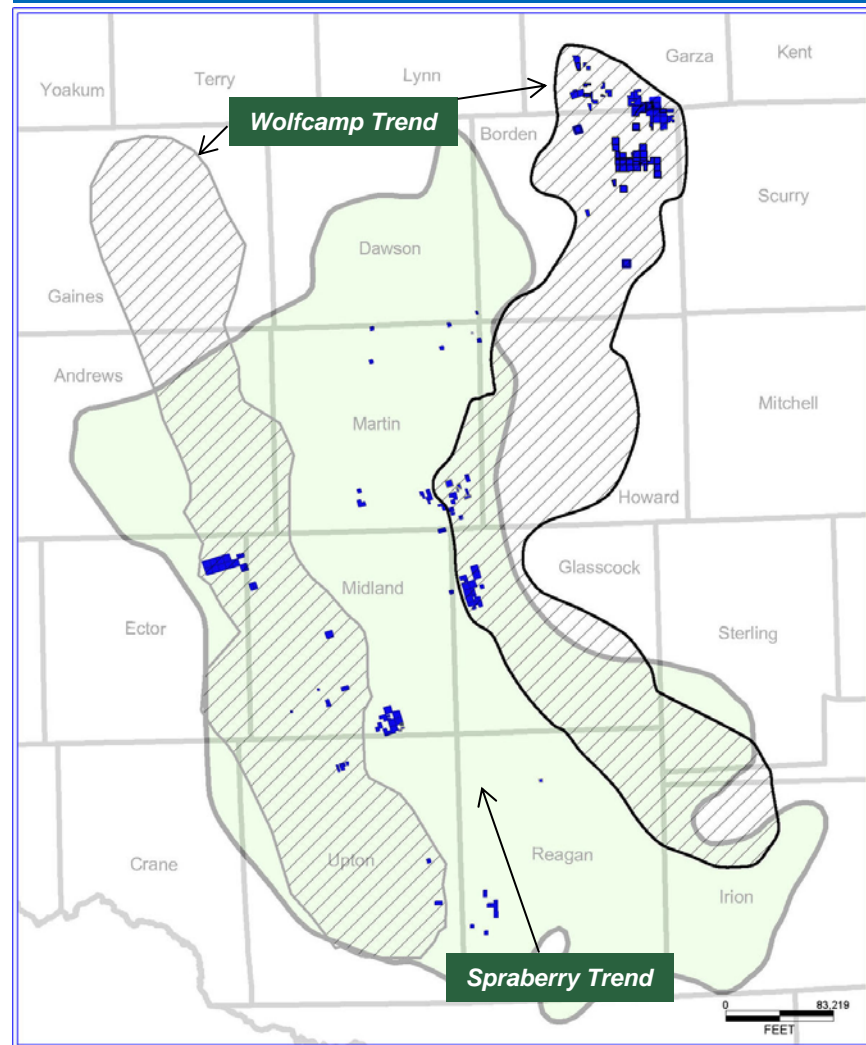
Berry's Permian Assets



Commentary

- Total of ~61,000 net acres in the Permian, 75% NRI
- Drilling inventory of 425 locations on 40's and 650 potential locations on 20's in the Wolfberry
- Currently running four rigs, reducing to three in 2013 plan
- Production has been impacted by higher line pressure, periodic gas curtailments, and ethane rejection
- Third party projects are underway to expand pipeline gathering & processing facilities
- Upside potential from:
 - 20-acre down spacing and horizontal drilling
 - Appraisal of acreage outside the Wolfberry fairway
 - De-risking deeper formations including the Strawn, Atoka and Mississippian

Permian Asset Locator Map

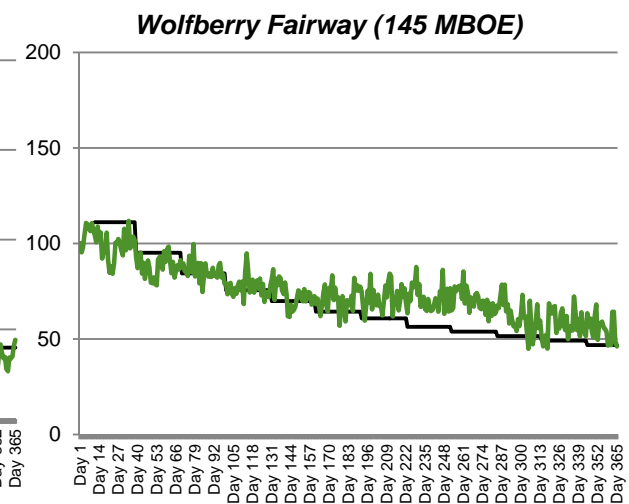
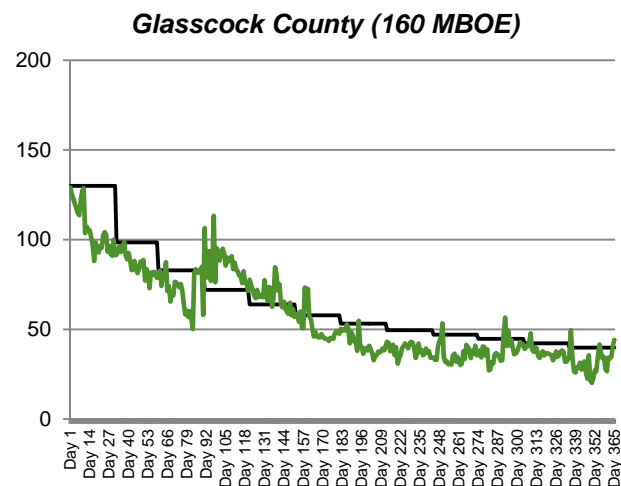
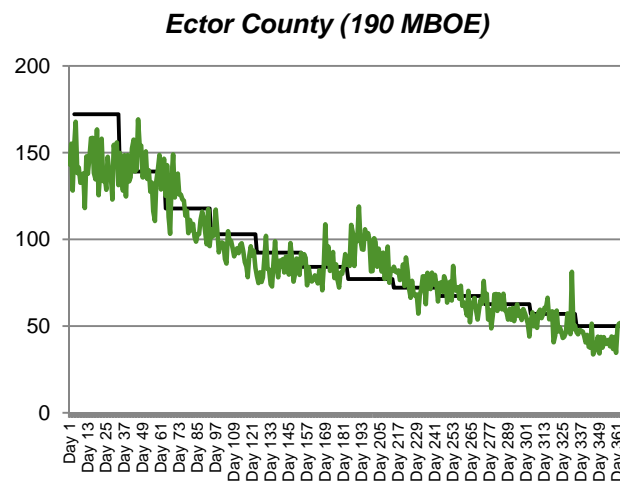


Wolfberry Performance

Wells Performing on Type Curve



- Berry's wells in the Northwest Wolfberry are generally 80% liquids
- Typical formation targets include the Sprayberry, Wolfcamp, and Cline
- Each of Berry's Wolfberry asset areas are performing on their respective type curves
- Wolfberry IPs generally range from 120 BOED to over 250 BOED
- Expected EURs range from 145 MBOE in the Wolfberry fairway to 190 MBOE in Berry's Ector county assets



Berry's Uinta Assets

Returning to Growth



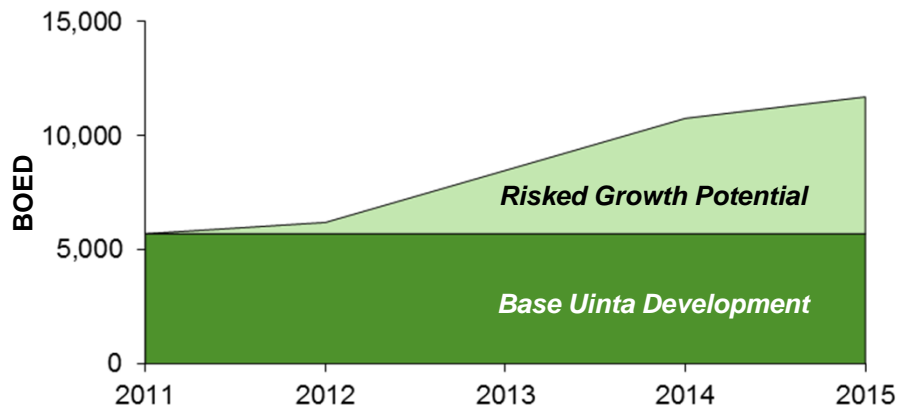
Asset Highlights

- ~165,000 net acres compiled since entering Uinta basin in 2003, which includes:
 - 40,000 net acres in Brundage Canyon, 100% WI
 - Rights to 85,000 net acres in Lake Canyon
 - 42.6% average WI
 - 40,000 net acres earned to date
 - 25,000 net acres in Ashley Forest, 100% WI
- 600 Producing wells on 40-acre spacing; historically 60% crude oil and 40% gas
- Continue to expand footprint via small bolt-on acquisitions

Uinta Basin Map



Uinta Production Forecast



Uinta Resource

Multiple Targets Across Large Acreage Position

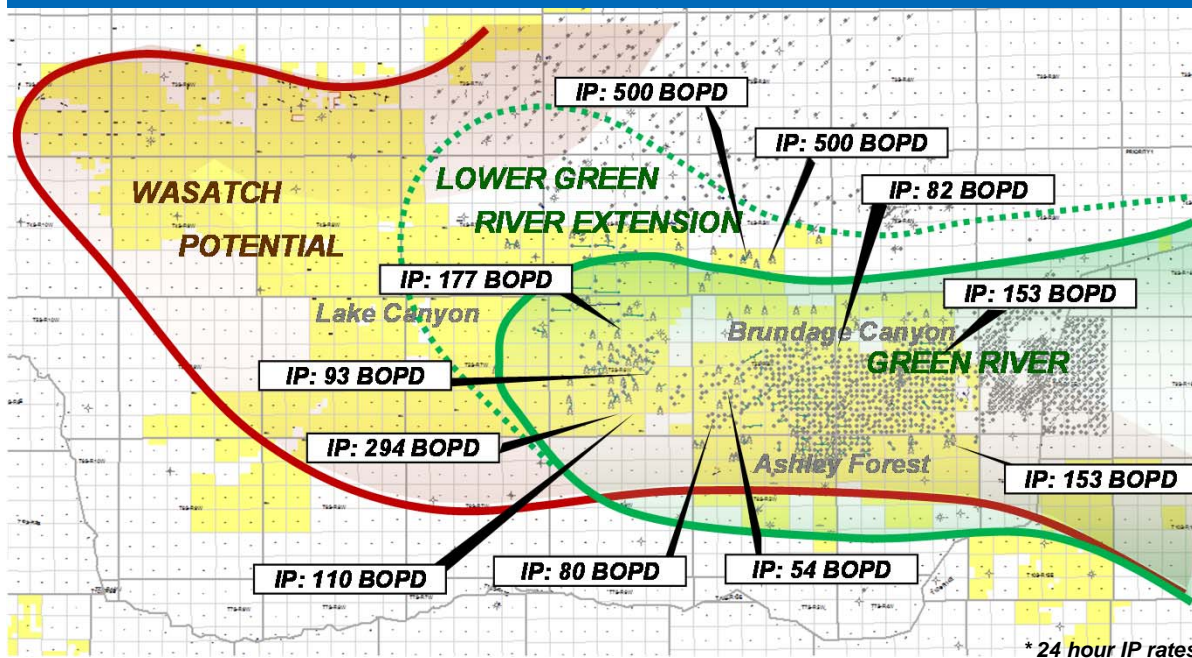


- Have identified 80 MMBOE of risked resource in the Uinta
- Contribution of the Wasatch formation at 80% oil, combined with the Green River formation, is driving 2012 plan
- Continued Lake Canyon and Ashley Forest development could allow Berry to double its Uinta Basin production
- Focused on improving operating margins per BOE through higher oil mix and improving marketing terms

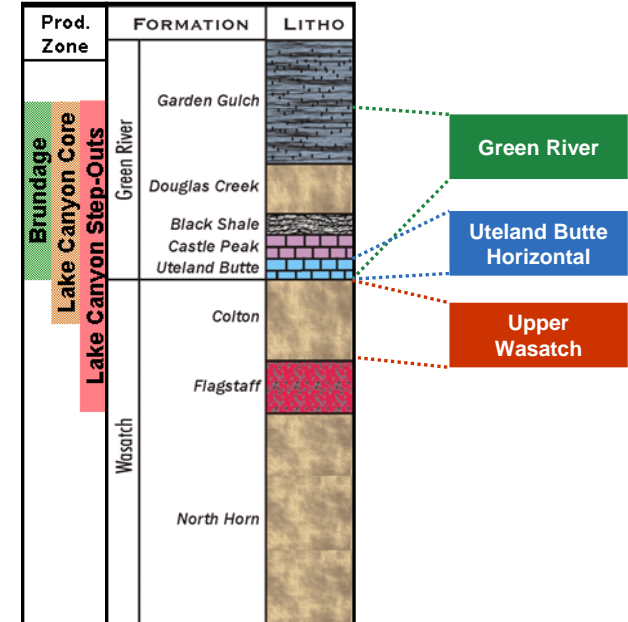
Acreage Summary

Target	Prospective Acres		Average Ownership	
	Gross	Net	WI%	NRI%
Green River	92,200	71,600	74%	62%
Uteland Butte	119,400	73,300	58%	49%
Wasatch	201,600	111,800	53%	44%
Total			62%	52%

Uinta Resource Fairways



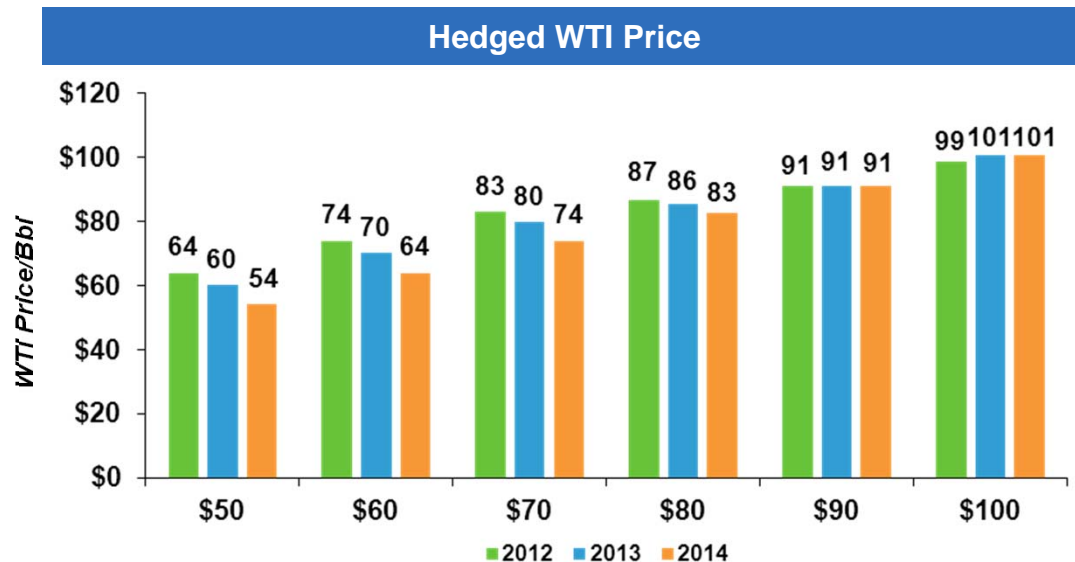
Target Formations



Hedge Positions



- Approximately 50% of oil production is hedged in 2013
- Berry's oil production is effectively hedged to \$80 WTI if WTI is \$70 in 2013
- Berry effectively consumes the natural gas produced in East Texas and the Piceance for California's steam production
- Hedged ~10,000 MMBtu/D of 2013 natural gas consumption using caps and three-way collars



2012 Oil Hedges	
Bbl/D	WTI Price
2,000	60/80/108
1,000	65/85/97
1,000	70/85/100
8,000	70/85/97
4,000	70/91/114
3,000	75/90/101
2,000	79/106/117
2013 Oil Hedges	
Bbl/D	WTI Price
1,000	60/80/103
1,000	65/85/97
1,000	70/87/105
5,000	70/87/103
1,000	70/90/117
1,000	70/90/120
1,000	70/95/120
2,000	79/106/117
2,000	70/90/100
1,800	75/92/102
2014 Hedges	
1,000	78/105/115
1,000	80/107/120
2,000	70/90/121
1,000	70/90/100
1,500	70/90/100
1,000	70/90/105
2015 Hedges	
2,000	70/90/100
1,000	70/90/105

Capitalization



Commentary

- Liquidity of approximately \$667 million as of 9/30/12 with current lender commitments of \$1.2 billion
- Current borrowing base of \$1.4 billion
- 2012 target leverage in the range of 2.0x to 2.5x

Capitalization and Liquidity as of September 30, 2012

(\$ in millions)

	<u>Actual</u>
Capitalization:	
Senior Secured Credit Facility	510
Senior Notes Due 2014 – 10.25%	205
Senior Notes Due 2020 – 6.75%	300
Senior Notes Due 2022 – 6.375%	600
Total Net Debt	\$1,615
Book Equity	976
Total Book Capitalization	\$2,591
Liquidity:	
Lender Commitments to Credit Facility	\$1,200
Amount Drawn¹	533
Total Liquidity	\$667

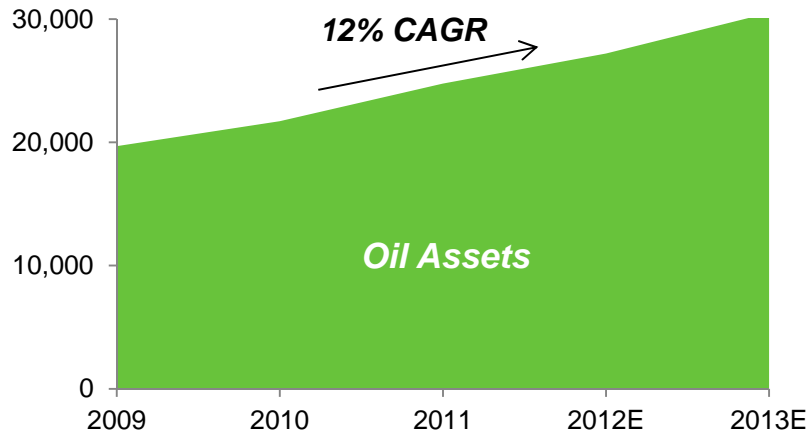
1) Includes \$23 million of outstanding letters of credit

Track Record of Growth from Consistent Strategy

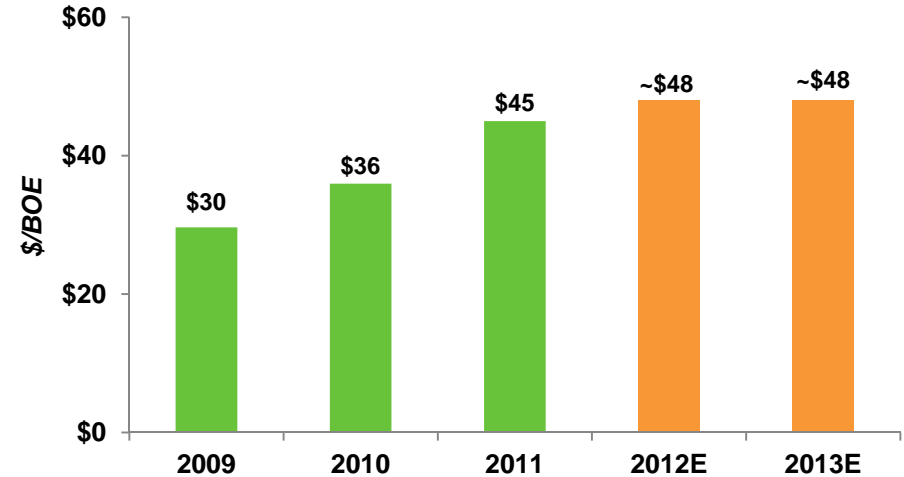
Investing in Oil Assets to Grow Production, Margin and CFPS



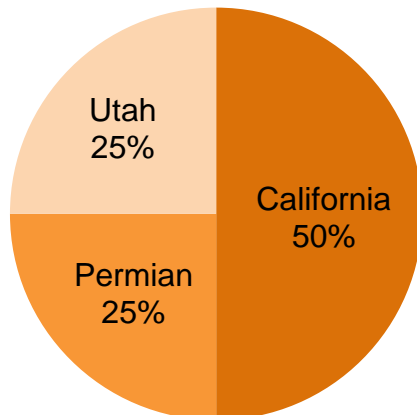
Grow Oil Production 10 - 15%



Improve Operating Margin/BOE

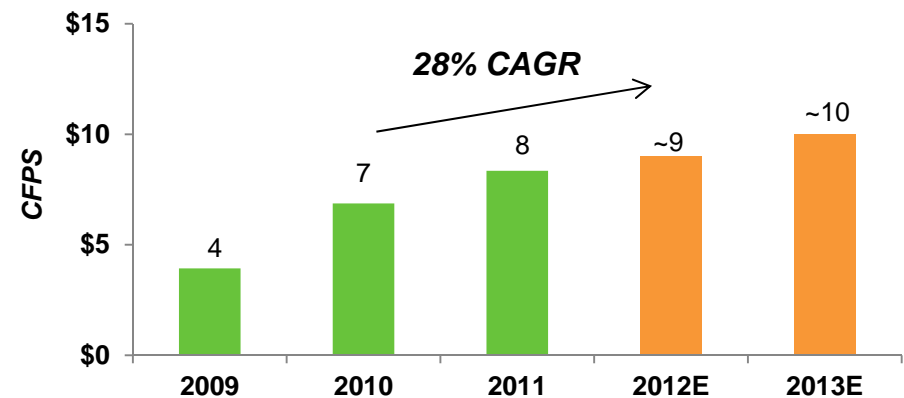


Concentrate Capital Investment in 3 Oil Basins



~\$500 - 600 MM in 2013

Grow Cash Flow Per Share



* At \$90 WTI