

News Release

Berry Petroleum Enters Agreement to Purchase East Texas Cotton Valley Natural Gas Assets for \$620 Million

Estimated Proved Reserves of 335 Bcfe - Daily Net Production of 32 MMcfe

Will host virtual presentation and conference call - June 11 at 10:00 am EDT

BAKERSFIELD, Calif.--(BUSINESS WIRE)--June 10, 2008--Berry Petroleum Company (NYSE:BRY) announced that it has entered into an agreement with a consortium of private sellers (the "Sellers") to acquire their interests in natural gas producing properties on 4,500 net acres in Limestone and Harrison Counties of East Texas for approximately \$620 million in cash. Ryder Scott Company's proved reserve estimates associated with the properties, adjusted for additional interests purchased by the Company, are 335 billion cubic feet equivalent (Bcfe), 29% of which are proved developed reserves. Upon closing, the acquisition will add approximately 32 million cubic feet equivalent per day (MMcfe/d) to Berry's production from 100 producing wells. Berry has identified over 100 drilling locations targeting stacked pay in various productive zones including the Pettit, Travis Peak, Cotton Valley Sands, Cotton Valley Lime and Bossier Sands as well as approximately 75 recompletion opportunities. The Company will continue testing two vertical wells drilled in the Bossier Shale in Limestone County and three vertical wells drilled in the Haynesville Shale in Harrison County. Also included in the acquisition is a gathering system valued at \$20 million that is expected to gather all current and future production from the acquired properties.

Robert Heinemann, president and chief executive officer, stated, "This is a tremendous opportunity for Berry to establish a new core area with another long-lived, low geologic risk natural gas asset with a growing production profile. We believe this is an excellent entry into the price-favored East Texas Basin given the concentrated asset base, identified drilling inventory with attractive economics and upside potential including the Haynesville and Bossier Shale. We will be the operator of 100% of the acquired properties and plan to transition a new East Texas-focused asset team to the properties over the coming months. Berry has executed a services agreement with the Sellers under which the Sellers will continue to operate the properties during the transition period."

Berry anticipates spending \$425 million to develop the proved undeveloped and probable reserves and expects full-life finding and development costs will be approximately \$2.77 per thousand cubic feet equivalent (Mcf). Berry is increasing its 2008 capital budget by an additional \$75 million to \$370 million to develop this resource and plans to fund the additional capital from internally generated cash flow. There are currently five rigs dedicated to the project and Berry expects the acquired properties to provide self-funded production growth over the coming years.

Based on proved reserve estimates for 2008 and pro forma reserves from the acquisition, upon closing the Company's reserves will be approximately 50% crude oil and 50% natural gas with 43% of the reserve base in California, 34% in the Rockies and 23% in East Texas. Pro forma for this acquisition, Berry expects its 2008 production to be between 32,000 and 34,000 BOED, an increase of 19% to 26% over 2007. Proved reserves at year end 2008 will range from 235 to 245 MMBOE.

The effective date of the transaction is February 1, 2008. Closing is expected by July 15, 2008 and will initially be funded by borrowings from a new \$1.5 billion senior secured credit facility with a \$1 billion borrowing base. The company is also considering an equity offering as part of the financing for the transaction. The transaction and the secured credit facility are subject to customary closing conditions.

Tudor, Pickering, Holt & Co. advised Berry on the acquisition.

Teleconference Call & Webcast Presentation

A teleconference call and webcast presentation will be held Wednesday, June 11, 2008 at 10:00 a.m. Eastern Daylight Time (7:00 a.m. Pacific Daylight Time). A Q&A period will follow the presentation.

Live webcast link -

<http://phx.corporate-ir.net/phoenix.zhtml?p=irol-eventDetails&c=85544&eventID=1872679>

(Due to its length, this URL may need to be copied/pasted into your Internet browser's address field. Remove the extra space if one exists.)

Telephone dial-in - 866-356-4279 for USA or 617-597-5394 for international - passcode 19218783

Telephone replay available until July 8, 2008 at 888-286-8010 - passcode 68142542

Webcast replay available until July 8, 2008 at <http://www.bry.com/index.php?page=investor>

This call is being webcast by Thomson Reuters and can be accessed through Thomson's individual investor center at www.earnings.com and institutional investors can access the call via Thomson's password-protected event management site, at www.streetevents.com.

About Berry Petroleum Company

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

Safe harbor under the "Private Securities Litigation Reform Act of 1995"

Certain statements in this news release, including but not limited to statements regarding the closing of the acquisition and credit facility, and other statements that are not historical facts, are forward-looking statements that involve risks and uncertainties. Although Berry believes that its expectations are based on reasonable assumptions, it can give no assurance that these expectations will prove correct. Important factors that could cause actual results to differ materially from those in the forward-looking statements include our results of operations, general market conditions, satisfaction of the purchase agreements' and credit facility's closing conditions and other risks described in PART 1, Item 1A. Risk Factors of Berry's 2007 Form 10-K/A filed with the Securities and Exchange Commission on February 27, 2008 under the heading "Other Factors Affecting the Company's Business and Financial Results" in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and all material changes as updated in Part II, Item 1A within our Form 10-Qs filed subsequent to the Form 10-K/A. Words such as "plans," "will," "expect," "target," "goal," and forms of those words and others indicate forward-looking statements.

This announcement shall not constitute an offer to sell or the solicitation of an offer to buy any securities. Any offers, solicitations of offers to buy, or any sales of securities will only be made in accordance with the registration requirements of the Securities Act of 1933 or an exemption therefrom.

CONTACT: Berry Petroleum Company
Todd Crabtree, 1-866-472-8279
www.bry.com

SOURCE: Berry Petroleum Company