This presentation contains forward-looking statements concerning our expectations about our future business and results of operations. Words such as “anticipate,” “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 relate to future events. 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 our actual results to differ from those projected in any forward-looking statements we make. We believe that it is important to communicate our future expectations. However, there may be events in the future that we are unable to accurately predict or control and that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. Forward-looking statements speak only as of the date of such statement.
Agenda

- 8:30am  Welcome & Overview  Bob Heinemann, President and CEO
- 8:45am  Operational Overview  Michael Duginski, Executive Vice President and COO
- 9:00 am  Financial Review  David Wolf, Executive Vice President and CFO
- 9:30am  California Assets  Tim Crawford, Vice President, California Production
- 10:00 am  E. Texas Assets  Michael Duginski, Executive Vice President and COO
- 10:30 am  Rocky Mountain Assets  Dan Anderson, Vice President, Rocky Mountain Production
- 11:00 am  Summary & Q&A  Bob Heinemann
- 11:30 am  Lunch
Welcome and Overview

Bob Heinemann
President and CEO
Why is Berry Having an Investor Day?

- Increase our accessibility and exposure to new and existing investors and analysts
- Establish a regular communication with investors and analyst in good times and in bad times
- De-mystify the Diatomite asset and highlight an important valuation
- Illustrate our natural hedge to gas prices and the price floor on our oil business
- To tell the story –
  - We are a small cap execution and engineering company.
  - We have low risk development assets, with significant upside to oil prices.
  - We have the ability to reduce capital to be profitable and conservative in a low price environment
Why is Berry Unique?

- **Berry is conservative**
  - *We don’t drill to seismic events, no well watching, not trying to figure out what acreage is Tier 1*
- **Berry focuses on execution**
  - *We are growing reserves and production by developing known resources versus exploration*
- **Berry is not on a treadmill**
  - *Our base assets have best in class, low decline rates with competitive price realizations*
- **Berry is not an acreage accumulator**
  - *We acquire assets with proven reserves and upside opportunity*
- **Berry offers investors an exposure to crude oil**
  - *Approximately, 50% of our proved reserves are crude oil and today’s oil production is 20,000 bbl/d*
- **Berry has flexibility within its development portfolio**
  - *Our asset teams operate all of our assets and each will generate free cash flow at $75 WTI*
- **Berry is a value at current share price**
  - *We trade at a 20% discount to year-end ’07 PV10 (at $79 WTI, $6.30 HH) without East Texas*
Company Overview

- Market Capitalization: $0.9 Billion
- Long Term Debt: $1.1 Billion
- Enterprise Value: $2.0 Billion
- 2008E Proved Reserves (MMBOE): 230 – 245
- 2008E Production (MBOE/D): 32,000 – 33,000
- % Proved Developed: 47%
- Capital Investment: $400 Million
- Discretionary Cash Flow: $420 Million
- % Oil Proved Reserves / Production: 52% / 58%

Reserve and production ranges include East Texas acquisition
Financial guidance is for the full year 2008
Berry Petroleum: 1909 - 2001
Profitable Heavy Oil Producer in California

- Perennially profitable heavy oil producer (14,000 BOE/D)
- Highly concentrated oil operations in California
- Solid portfolio of stable reserves (100 Proved MMBOE)
- Small number of development opportunities in the portfolio
- Few opportunities for acquisitive growth in California
- Exposed to increasing natural gas prices
- Needed prospects with significant development upside

California (1909)
2001 Proved Reserves: 102 MMBOE
2001 Daily Production: 14 MBOED
Berry Petroleum: 2002-2006

Need for Natural Gas Drives Diversification into the Rockies

- Acquired gas and light oil assets with significant growth potential outside of California
- Demonstrated ability to build a business in new hydrocarbon basins
- Began appraisal and development of Poso Creek heavy oil asset
- Initiated pilot within the Diatomite resource
- Funded development out of cash flow

Uinta (2003)
Proved Reserves: 23 MMBOE
Daily Production: 6.5 MBOED

Piceance (2006)
Proved Reserves: 139 Bcfe
Probable Reserves: 745 Bcfe
Daily Production: 30 MMcfeD

Denver-Julesburg (2005)
Proved Reserves: 126 Bcfe
Daily Production: 20 MMcfeD

Bakersfield
Corporate Office

Denver Office

Heavy Oil
Light Oil
Natural Gas
• Entered another new basin (East Texas) with price advantaged margins
• Accelerated development of Poso Creek
• Launched full-scale, economic development of our Diatomite resource and
• Moved corporate headquarters to Denver

East Texas (2008)
Proved Reserves: 335 Bcfe
Daily Production: 30 MMcfe/D

2007 – 2008

More Growth; Record Commodity Prices; Rising Costs
Today’s Berry Petroleum
Adapting to a New Commodity Price Environment

- Employ capital discipline, funding capital within cash flow, limit growth
- Use free cash flow to pay down debt
- Invest in high return projects
- Reduce costs across the board

Uinta (2003)
Proved Reserves: 23 MMBOE
Daily Production: 6.5 MBOED

Piceance (2006)
Proved Reserves: 139 Bcfe
Probable Reserves: 745 Bcfe
Daily Production: 30 MMcfeD

California (1909)
Proved Reserves: 102 MMBOE
Daily Production: 17 MBOED

East Texas (2008)
Proved Reserves: 335 Bcfe
Daily Production: 30 MMcfeD

Denver-Julesburg (2005)
Proved Reserves: 126 Bcfe
Daily Production: 20 MMcfeD
Reserves Increased to 225 MMBOE

Replenishing heavy oil inventory while diversifying the portfolio

- Heavy oil reserves of 102 MMBOE have remained flat after producing 29 MMBOE over the past 5 years
- Reserve additions from Poso Creek and Diatomite assets have offset production of the legacy reserves
- Reserve additions from the DJ, Piceance and East Texas assets have create the natural gas component within the portfolio
Efficient Reserve Growth

- All-in F&D includes additions and investment from development drilling and acquisitions.
- Increase in 2006 is due to the Piceance acquisitions whose reserves were classified as probable.
- The reserves from the East Texas acquisition were largely proved which impacts the all-in F&D in 2008.
- The majority of the reserve additions from development drilling in 2008 are expected from the Piceance and the Diatomite assets.
Double-Digit Long Term Reserve Additions
Reserve Growth at Competitive F&D Cost

Compound Annual Reserve Growth per Share (2002-2007)

F&D Cost/$BBL

<table>
<thead>
<tr>
<th></th>
<th>Peer 1</th>
<th>Peer 2</th>
<th>Peer 3</th>
<th>Peer 4</th>
<th>Peer 5</th>
<th>BRY</th>
<th>Peer 7</th>
<th>Peer 8</th>
<th>Peer 9</th>
<th>Peer 10</th>
<th>Peer 11</th>
<th>Peer 12</th>
<th>Peer 13</th>
<th>Peer 14</th>
<th>Peer 15</th>
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</thead>
<tbody>
<tr>
<td>Cost</td>
<td>11.17</td>
<td>23.19</td>
<td>7.68</td>
<td>18.27</td>
<td>42.94</td>
<td>13.06</td>
<td>11.39</td>
<td>16.51</td>
<td>14.64</td>
<td>28.17</td>
<td>22.43</td>
<td>42.20</td>
<td>32.76</td>
<td>23.23</td>
<td>50.06</td>
</tr>
</tbody>
</table>

Source: JS Herold
Production Has Grown to 35,150 BOED

California Provides Base; Developing Acquisitions Fuels Growth

*Sold Montalvo asset in California in 2006 which produced 700BOED
Top Tier Production Growth Per Share

Compound Annual Production Growth per Share (2002-2007)

Peer Group: COG, CRK, DNR, EAC, FST, HK, KWK, PXP, RRC, SGY, SFY, SM, WLL, XEC

Source: JS Herold
Berry Develops its Assets From Cash Flow

- Berry Petroleum Company – 2008 Investor Conference

![Chart showing cash flow and capital expenditures from 2003 to 2009 with projected values for 2009E.](chart)

### Cash Flow and Capital Expenditures

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash Flow</th>
<th>Capital Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$31</td>
<td>$0</td>
</tr>
<tr>
<td>2004</td>
<td>$41</td>
<td>$0</td>
</tr>
<tr>
<td>2005</td>
<td>$57</td>
<td>$0</td>
</tr>
<tr>
<td>2006</td>
<td>$64</td>
<td>$0</td>
</tr>
<tr>
<td>2007</td>
<td>$72</td>
<td>$57</td>
</tr>
<tr>
<td>2008E</td>
<td>$100</td>
<td>$100</td>
</tr>
<tr>
<td>2009E</td>
<td>$75</td>
<td>$100</td>
</tr>
</tbody>
</table>

- **WTI Prices**: $31, $41, $57, $64, $72, $100, $75
- **HH Prices**: 5.50, 6.20, 9.00, 6.70, 7.15, 9.20, 7.50
# Berry’s Key Messages for Today

## Profitability in high and low price environments
- *Berry delivers competitive margins even with its mix of heavy oil and natural gas*
- *Relative insensitivity to natural gas moderates commodity price volatility*
- *Active hedging program provides a floor on the company’s cash flow*

## Value of Berry’s Diatomite is compelling
- *330 Million barrels of oil in place on 450 acres*
- *Currently targeting 23% recovery with upside potential to 40% recovery*
- *Production grows steadily to 13,000 BOED in 2015*
- *Net asset value ranges between $625 Million and $1.1 Billion at $75 WTI*

## Low risk resource base delivers predictable results
- *Portfolio has low geologic risk, enabling organic growth with low F&D*
- *Since ‘02 California proved reserves remain flat at 100 MMBOE after production of 30 MMBOE*
- *Low base decline of oil assets allows for significant growth within cash flow*

## Flexibility within investment portfolio
- *Operational control of nearly all assets allows for quick reaction to changes in the business*
- *‘09 Capital focused on California oil, E. Texas development and Piceance recompletions*
- *All asset teams will generate free cash flow in ‘09 at $75 WTI and $7.50 HH*
- *Development of the Diatomite asset will continue at all prices for long term value creation*

## Track record of execution
- *Reputation of improving recovery and finding new reserves on legacy assets*
- *Delivered 12% compound reserve and production growth over the last 5 years*
- *Demonstrated ability to build a business and convert unproven resources to cash flow*
## Management Profiles

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Years</th>
<th>Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bob Heinemann</td>
<td>President and CEO</td>
<td>27</td>
<td>Chief Reservoir Engineer and VP of Technology at Mobil and Chief Technology Officer at Halliburton; Joined Berry in 2004</td>
</tr>
<tr>
<td>Michael Duginski</td>
<td>EVP and COO</td>
<td>21</td>
<td>International Project Manager and Kern River Production Manager at Texaco; Joined Berry in 2002</td>
</tr>
<tr>
<td>David Wolf</td>
<td>EVP and CFO</td>
<td>14</td>
<td>Managing Director of JPMorgan’s energy investment banking group; Joined Berry in 2008</td>
</tr>
<tr>
<td>Dan Anderson</td>
<td>VP Rocky Mountain Production</td>
<td>23</td>
<td>Asset Manager and Project Engineer at Williams, Barrett, Conoco and other Rockies E&amp;P companies; Joined Berry in 2003</td>
</tr>
<tr>
<td>Tim Crawford</td>
<td>VP California Production</td>
<td>26</td>
<td>Area Production Manager at ARCO Western E&amp;P; Joined Berry in 1998</td>
</tr>
</tbody>
</table>
Operational Overview

Michael Duginski
Executive Vice President and Chief Operating Officer
Berry Petroleum’s Core Assets
225 MMBOE Proved Reserves* and 37 MBOED Production Today

Uinta (2003)
Proved Reserves: 23 MMBOE
Daily Production: 6.5 MBOED

Piceance (2006)
Proved Reserves: 139 Bcfe
Probable Reserves: 745 Bcfe
Daily Production: 30 MMcfeD

Denver-Julesburg (2005)
Proved Reserves: 126 Bcfe
Daily Production: 20 MMcfeD

East Texas (2008)
Proved Reserves: 335 Bcfe
Daily Production: 30 MMcfeD

California (1909)
Proved Reserves: 102 MMBOE
Daily Production: 17 MBOED

*Pro forma 12/31/2007 with E. Texas Acquisition
Asset Mix Produces Strong Margins
$40/BOE Margins Maintained in 2009 at $75 WTI/$7.50 HH

Strong EBITDA Margins

<table>
<thead>
<tr>
<th></th>
<th>'03</th>
<th>'04</th>
<th>'05</th>
<th>'06</th>
<th>'07</th>
<th>9M08</th>
<th>2009E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price w/o hedging</td>
<td>$24.48</td>
<td>$33.64</td>
<td>$47.01</td>
<td>$48.38</td>
<td>$49.72</td>
<td>$82.57</td>
<td>$52.68</td>
</tr>
<tr>
<td>Price w/ hedging</td>
<td>$22.52</td>
<td>$30.32</td>
<td>$41.62</td>
<td>$46.67</td>
<td>$47.50</td>
<td>$66.37</td>
<td>$55.36</td>
</tr>
<tr>
<td>WTI</td>
<td>$31</td>
<td>$41</td>
<td>$57</td>
<td>$64</td>
<td>$72</td>
<td>$100</td>
<td>$75</td>
</tr>
<tr>
<td>Henry Hub</td>
<td>$5.50</td>
<td>$6.20</td>
<td>$9.00</td>
<td>$6.70</td>
<td>$7.15</td>
<td>$9.20</td>
<td>$7.50</td>
</tr>
</tbody>
</table>

Berry Realized Prices $/BOE

- WTI: $31, $41, $57, $64, $72, $100, $75
- Henry Hub: $5.50, $6.20, $9.00, $6.70, $7.15, $9.20, $7.50

Lease Operating Expense  Exploration Exp.  Production Taxes  G&A  EBITDA
Production and Consumption of Natural Gas

Balance Reduces Exposure to Price Volatility

SoCal Border Prices - $/MMBtu

2009 Revenue Sensitivity

Natural Gas Balance

2009 Gas Price Sensitivity
Heavy Oil Operating Costs

Dependent on Natural Gas Prices

- 12,000 MMBtu/D of the cogeneration fuel volumes are purchased at Rockies prices using firm transportation on the Kern River pipeline with the balance of all fuel purchased at SoCal border prices.
- Percentage of cogeneration fuel allocated to electricity varies by quarter with seasonal changes in the price received under electricity contracts.
- Fuel consumption for conventional steam generation increases as capacity is added in Poso Creek and the diatomite.
- Incremental steam generation will be provided from conventional steam generators which require approximately 1 Mcf to generate approximately 3 barrels of steam.
- A $1/MMBtu change will impact 2009 fuel operating costs by approximately $12 MM.

### Steam Generation Fuel Costs

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4E</th>
<th>2008E</th>
<th>2009E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cogeneration fuel consumption</td>
<td>27,735</td>
<td>24,916</td>
<td>27,300</td>
<td>27,300</td>
<td>26,800</td>
<td>27,500</td>
</tr>
<tr>
<td>Less amount allocated to electricity</td>
<td>(23,125)</td>
<td>(18,205)</td>
<td>(19,119)</td>
<td>(22,075)</td>
<td>(20,600)</td>
<td>(21,100)</td>
</tr>
<tr>
<td>Fuel consumed in conventional steam generation</td>
<td>17,025</td>
<td>20,671</td>
<td>21,169</td>
<td>23,850</td>
<td>20,700</td>
<td>28,000</td>
</tr>
<tr>
<td>Net fuel consumed in steam generation</td>
<td>21,634</td>
<td>27,382</td>
<td>29,350</td>
<td>29,075</td>
<td>26,900</td>
<td>34,400</td>
</tr>
<tr>
<td>SoCal Border price ($/MMBtu)</td>
<td>$7.61</td>
<td>$9.86</td>
<td>$9.29</td>
<td>$5.00</td>
<td>$8.00</td>
<td>$5.30</td>
</tr>
<tr>
<td>Rockies gas price ($/MMBtu)</td>
<td>$6.96</td>
<td>$8.48</td>
<td>$5.90</td>
<td>$3.75</td>
<td>$6.25</td>
<td>$4.00</td>
</tr>
<tr>
<td>Total steam generation fuel costs ($MM)</td>
<td>$15</td>
<td>$25</td>
<td>$23</td>
<td>$13</td>
<td>$76</td>
<td>$65</td>
</tr>
</tbody>
</table>
Capital and Drilling by Year

2009 Capital

Capital Spend - $MM

- 2001: $15
- 2002: $31
- 2003: $41
- 2004: $70
- 2005: $136
- 2006: $275
- 2007: $285
- 2008 Est.: $400
- 2009 Est.: $200

2009 Capital Allocation

- California: $109
- Rockies: $14
- E. Texas: $7

Total: 129 Wells

2009 Capital Allocation

- California: $74 MM
- Rockies: $55 MM
- E. Texas: $72 MM
- Total: $200 MM
Long-Lived Reserves with Organic Development

475 MMBOE 2P Reserves

225 MMBOE Proved

- Rocky Mountains: 30%
- E. Texas: 25%
- California: 45%

475 MMBOE Proved + Probable

- PD: 26%
- PROB: 52%
- PUD: 22%

Gross Drilling Locations

- E. Texas: 106
- Rocky Mountains: 2391
- California: 1765

355 MMBOE of PUD and Probables

- E. Texas: 430
- Rocky Mountains: 2100
- California: 800

3850 drilling locations balanced between California and the Rockies

54% Proved Developed, 52% Oil, R/P 17 Years

Low Risk Proved & Probables, $9.30 F&D to develop
Financial Overview

David Wolf
Executive Vice President and CFO
Berry Has Performed at High and Low Prices

**Net Income ($ Millions)**

- Berry has consistently generated net income and cash flow at significantly lower prices.
- As commodity prices decrease operating costs in California partially offset the decrease in natural gas prices.
- With $75 WTI/$7.50 HH in Q4, net income is $170 MM and cash flow is $415 MM.

**Cash Flow ($ Millions)**

---

**Berry Petroleum Company – 2008 Investor Conference**
# Full Cycle Break-Even Analysis

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating expenses**</td>
<td>$19.50</td>
<td>$11.36</td>
<td>$19.02</td>
</tr>
<tr>
<td>General and Administrative</td>
<td>4.25</td>
<td>4.00</td>
<td>4.02</td>
</tr>
<tr>
<td><strong>Total Unlevered Cost Structure</strong></td>
<td>23.75</td>
<td>15.36</td>
<td>23.04</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>2.25</td>
<td>3.30</td>
<td>3.90</td>
</tr>
<tr>
<td><strong>Total Levered Cost Structure</strong></td>
<td>26.00</td>
<td>18.66</td>
<td>26.94</td>
</tr>
<tr>
<td><strong>Full Cycle Cost Structure</strong></td>
<td>36.10</td>
<td>37.98</td>
<td>48.90</td>
</tr>
</tbody>
</table>

*Q4 inside management guidance

**Includes production taxes

Source: JPMorgan Equity Research. Oil peers include CLR, CXO, DNR, EAC, PXP, SFY, WLL
Significant Hedge Positions Protect Cash Flow
Effectively Hedged to $65/bbl at $50 WTI

- Generally, 50% of projected production is hedged through swaps and collars
- Approximately 85% and 65% of oil production is hedged in 2009 and 2010, respectively, to protect cash flow for capital development and debt repayment
- Assuming oil production of 20,500 BOE/D in 2009, all of Berry’s oil production is effectively hedged to $65 WTI if WTI is $50

### 2009 Hedges

<table>
<thead>
<tr>
<th>Oil Production</th>
<th>WTI Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bbl/D</td>
<td></td>
</tr>
<tr>
<td>10,000</td>
<td>47.50/70.00</td>
</tr>
<tr>
<td>5,000</td>
<td>100.00/156.90</td>
</tr>
<tr>
<td>2,240</td>
<td>70.52</td>
</tr>
<tr>
<td>295</td>
<td>80.00/91.00</td>
</tr>
</tbody>
</table>

### Natural Gas Production

<table>
<thead>
<tr>
<th>MMBtu/D</th>
<th>HH Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>15,400</td>
<td>8.50*</td>
</tr>
</tbody>
</table>

*With basis at PEPL of -$1.08

### 2010 Hedges

<table>
<thead>
<tr>
<th>Oil Production</th>
<th>WTI Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bbl/D</td>
<td></td>
</tr>
<tr>
<td>8,280</td>
<td>59.55/78.32</td>
</tr>
<tr>
<td>5,000</td>
<td>100.00/156.60</td>
</tr>
<tr>
<td>1,000</td>
<td>70.00/86.00</td>
</tr>
</tbody>
</table>
Hedging Counterparty Exposure

Values as of October 31, 2008

- Diverse lender group provides opportunity for additional diversification
- Have the right to net payments to counterparties where there are both payable and receivable positions

<table>
<thead>
<tr>
<th>Counterparty</th>
<th>Current Exposure $MM</th>
<th>Credit Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>BNP Paribas</td>
<td>54</td>
<td>AA+/Aa1</td>
</tr>
<tr>
<td>JP Morgan</td>
<td>16</td>
<td>AA/Aa2</td>
</tr>
<tr>
<td>BP</td>
<td>3</td>
<td>AA/Aa1</td>
</tr>
<tr>
<td>Societe Generale</td>
<td>(4)</td>
<td>AA-/Aa2</td>
</tr>
<tr>
<td>Wells Fargo</td>
<td>(24)</td>
<td>AAA/Aa1</td>
</tr>
<tr>
<td>Citigroup</td>
<td>(3)</td>
<td>AA-/Aa3</td>
</tr>
<tr>
<td>Total Amount Due Berry</td>
<td>43</td>
<td></td>
</tr>
</tbody>
</table>
Natural Gas Consumption Creates Natural Hedge

$1 Change in Natural Gas Prices Impacts Net Income by $11MM

- **Gas Production and Consumption to Increase**
  - Piceance and E. Texas development increase the Company’s gas production
  - Diatomite and Poso Creek projects increase consumption but at a lower rate than gas production

- **Financial Hedges**
  - In 2009, 15,400 MMBtu/d of gas is swapped at $8.50 HH with a $1.07 PEPL differential

- **Natural Gas Sensitivity** – $1 increase in gas prices in 2009 increases net income by $11MM
  - Revenue (net of hedging) increases $30 MM, operating costs increase $12MM, production taxes increase $2MM and net income increases $11MM

---

### Natural Gas Balance

- **MMBtu/D**
  - 2008E: 60,000
  - 2009E: 90,000
  - 2010E: 120,000

### 2009E Gas Price Sensitivity

- **$MM**
  - $6.50: 600
  - $7.50: 800
  - $8.50: 900

---

**Berry Petroleum Company – 2008 Investor Conference**

31
Financial Position as of October 31, 2008

- **Total Debt of $1.15 Billion**
  - $200 MM of 8.25% senior subordinated notes due 2016
  - $950 MM outstanding in a senior secured revolving credit facility

- **Financial Covenants**
  - Senior credit facility (Maintenance covenants)
    - Four quarter trailing EBITDAX to total funded debt not greater than 3.5 to 1.0 (2.6 as of September 30, 2008)
    - Current Ratio (excluding hedging and including facility availability) not less than 1.0 (1.1 as of September, 2008)
  - Senior subordinated notes (Debt incurrence covenant)
    - Interest coverage ratio of at least 2.5 to 1.0

- **Liquidity**
  - Liquidity of $130MM in 2008 increasing to $230 MM in 2009
  - Approximate capital budget of $200MM in 2009 allows for estimated $100MM in debt repayment at $75 WTI

- **Financial Strategy for additional liquidity**
  - Generate free cash flow from 2009 capital program
  - Evaluate sale of non-core assets
  - Access capital markets when available
## Senior Secured Revolving Credit Facility

<table>
<thead>
<tr>
<th><strong>Master Note</strong></th>
<th>$1.5 billion</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Borrowing Base</strong></td>
<td>$1.25 billion (Oct 17th utilizing mid year engineering)</td>
</tr>
<tr>
<td><strong>Bank Commitments</strong></td>
<td>$1.08 billion</td>
</tr>
<tr>
<td><strong>Accordion Option</strong></td>
<td>$170 million accordion subject to borrowing base capacity</td>
</tr>
<tr>
<td><strong>Maturity</strong></td>
<td>July 15, 2012</td>
</tr>
</tbody>
</table>

### Pricing

<table>
<thead>
<tr>
<th>Borrowing Base Usage</th>
<th>LIBOR Margin</th>
<th>Base Rate Margin</th>
<th>Commitment Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 50%</td>
<td>137.5 bps</td>
<td>137.5 bps</td>
<td>30.0 bps</td>
</tr>
<tr>
<td>≥ 50%, &lt; 75%</td>
<td>162.5 bps</td>
<td>162.5 bps</td>
<td>35.0 bps</td>
</tr>
<tr>
<td>≥ 75%, &lt; 90%</td>
<td>187.5 bps</td>
<td>187.5 bps</td>
<td>40.0 bps</td>
</tr>
<tr>
<td>≥ 90%</td>
<td>212.5 bps</td>
<td>212.5 bps</td>
<td>50.0 bps</td>
</tr>
</tbody>
</table>

### Covenants

- Debt to EBITDA ≤ 3.50x
- Minimum Current Ratio ≥ 1.00x

### Lead Banks

- Wells Fargo, BNP Paribas, Societe Generale, JP Morgan, Royal Bank of Scotland at commitments of $100 MM or greater
- 17 Banks
## 8.25% Senior Subordinated Notes

| **Amount:** | $200 million |
| **Issue:** | Senior Subordinated Notes (the “Notes”) |
| **Assumed ratings:** | B3/B+ |
| **Maturity:** | 10 years, maturing November 1, 2016 |
| **Coupon:** | 8.25% |
| **Ranking:** | The Notes are senior subordinated obligations of the Company and will rank *pari passu* with all future senior subordinated indebtedness, senior to all present and future subordinated indebtedness and subordinated to all present and future senior indebtedness |
| **Optional redemption:** | Non-callable for 5 years |
| **Mandatory redemption:** | None prior to maturity except in the event of:
- “Change of Control” requiring an offer to purchase the Notes at 101% of par plus accrued interest
- “Asset Sales” requiring an offer to 1) repay borrowings under the credit facilities or 2) purchase the Notes at 100% of par plus accrued interest, if proceeds are not reinvested |
| **Covenants:** | The Indenture contains similar but less restrictive than current senior credit facility: |
### Assumptions

<table>
<thead>
<tr>
<th>Assumption</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil Price - WTI</td>
<td>$75 WTI</td>
</tr>
<tr>
<td>California Oil Differential</td>
<td>$8.15</td>
</tr>
<tr>
<td>Uinta Oil differential</td>
<td>$19</td>
</tr>
<tr>
<td>Gas Price - Henry Hub</td>
<td>$7.50</td>
</tr>
<tr>
<td>Panhandle Eastern Differential</td>
<td>$1.41</td>
</tr>
<tr>
<td>Rockies (CIG) Differential</td>
<td>$2.37</td>
</tr>
<tr>
<td>E. Texas Differential</td>
<td>$0.45</td>
</tr>
<tr>
<td>SoCal Border Differential</td>
<td>$0.79</td>
</tr>
<tr>
<td>Wtd. Avg. Interest Rate</td>
<td>6.24%</td>
</tr>
</tbody>
</table>

### 2009 Financial Projection

#### Production

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil - Bbls/d</td>
<td>20,500</td>
<td>20,700</td>
</tr>
<tr>
<td>Gas - Mcf/d</td>
<td>72,000</td>
<td>95,400</td>
</tr>
<tr>
<td>Total BOEPD</td>
<td>32,500</td>
<td>36,600</td>
</tr>
</tbody>
</table>

#### Summary of Income and Cash Flows ($ millions, except EPS)

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$823</td>
<td>$812</td>
</tr>
<tr>
<td>Operating Expense</td>
<td>234</td>
<td>260</td>
</tr>
<tr>
<td>DD&amp;A</td>
<td>144</td>
<td>189</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>51</td>
<td>51</td>
</tr>
<tr>
<td>Interest</td>
<td>26</td>
<td>38</td>
</tr>
<tr>
<td>Income Taxes</td>
<td>101</td>
<td>74</td>
</tr>
<tr>
<td>Net income</td>
<td>169</td>
<td>126</td>
</tr>
<tr>
<td>EPS</td>
<td>3.72</td>
<td>2.76</td>
</tr>
<tr>
<td>EBITDAX</td>
<td>461</td>
<td>435</td>
</tr>
<tr>
<td>Discretionary cash flows</td>
<td>418</td>
<td>374</td>
</tr>
<tr>
<td>Discretionary cash flows per share</td>
<td>9.18</td>
<td>8.17</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>400</td>
<td>200</td>
</tr>
<tr>
<td>Divestitures/(Acquisitions)</td>
<td>(667)</td>
<td>-</td>
</tr>
<tr>
<td>Debt</td>
<td>1,145</td>
<td>1,045</td>
</tr>
</tbody>
</table>
Credit Metrics

- At $75 WTI, liquidity improves by $100 million in 2009
- Significant cushion in credit facility credit covenants at $75 WTI
- Estimates do not include asset sales

<table>
<thead>
<tr>
<th>Capitalization:</th>
<th>2007 Actual</th>
<th>$75 WTI / $7.50 HH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line of credit</td>
<td>$14</td>
<td>$19</td>
</tr>
<tr>
<td>Revolver</td>
<td>245</td>
<td>926</td>
</tr>
<tr>
<td>8 1/4 Notes</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>Total debt</td>
<td>459</td>
<td>1,145</td>
</tr>
<tr>
<td>Shareholders' equity</td>
<td>460</td>
<td>621</td>
</tr>
<tr>
<td>Total capitalization</td>
<td>$919</td>
<td>$1,766</td>
</tr>
</tbody>
</table>

| Credit statistics:                       |             |                   |
| Current Ratio (≥ 1.0)                    | 2.5         | 1.3               |
| Debt / EBITDAX (≤ 3.5)                   | 1.6         | 2.4               |
| Debt / capitalization                    | 50%         | 65%               |
| EBITDAX / interest                       | 9.3         | 9.2               |

| Liquidity:                               |             |                   |
| Lender Commitments (revolver)            | $650        | $1,080            |
| Less: amount drawn                       | (245)       | (926)             |
| Less: credit line drawn / LCs           | (17)        | (27)              |
| Net Liquidity                           | $388        | $127              |

| Operational statistics:                  |             |                   |
| EBITDAX                                  | $325        | $461              |
| Total interest                           | 35          | 50                |

$75 WTI / $7.50 HH
California Assets

Tim Crawford
Vice President of California Production
What is Diatomite?
Diatomite Reservoir Parameters

- Millions of years ago powerful forces of nature converged, pushing up mountain ranges and forming a giant inland bay in what is now the San Joaquin Valley.

- In the deepest portion of the bay tiny, one celled plants called diatoms lived and died over thousands of years.

- As the bay waters receded, the hard, siliceous shells of the diatoms settled into massive deposits known today as diatomaceous earth, diatomite.

- While most diatomite is powdery white, Berry’s NMWSS diatomite is cocoa brown. It’s unique color and pungent odor are due to the fact that it is saturated with crude oil.

- Compared to a typical sandstone reservoir our diatomite has:
  - Porosity: 2 X greater
  - Perm: 1000 X lower
  - So: Equal
  - Oil per unit volume: 2 X greater
Berry's Diatomite Resource

Central Park
840 Acres

Diatomite 450 Acres

Roughly half the size of Central Park
Diatomite Resource
330 Million Barrels in Place on 450 Acres

Asset Highlights

• 450 Acres, 100% Working Interest, 90% NRI
• Approximately 175 producing wells with full development of 850 total wells on half acre spacing
• Diatomite contains 15 degree gravity heavy oil
• Diatomite formation has an average depth of 800 feet
• 2008 delineation wells confirmed the extension of the resource to the north
• One rig drilling program
• 330 million barrels of oil in place, targeting 23% recovery
• Upside comes from increased recovery and lower steam oil ratio (SOR)
Chevron, Shell, Exxon, PXP and Berry Produce Diatomite

20% of San Joaquin Production Comes From Diatomite

Diatomite production currently totals over 100,000 BPD and accounts for over 20% of the San Joaquin Valley’s total daily production.
San Joaquin Diatomite Reservoirs

*Berry’s Diatomite is Analogous to Others in the Region*

- Berry is drawing upon the success of several diatomite operators
- Most similar reservoir/development is Chevron’s Cymric 1Y
- Berry is applying published best practices proven to be successful by other operators
- Published recovery estimates at Cymric are greater than 40% *(SPE 71500)*

### Geology Comparison

**Cymric Log**

**Reservoir Representation**

**Berry Log**

### Reservoir Properties

<table>
<thead>
<tr>
<th>Reservoir Parameters</th>
<th>Berry</th>
<th>1Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acreage</td>
<td>450</td>
<td>430</td>
</tr>
<tr>
<td>Oil Saturation %</td>
<td>46</td>
<td>54</td>
</tr>
<tr>
<td>Porosity %</td>
<td>57</td>
<td>58</td>
</tr>
<tr>
<td>Permeability, md</td>
<td>&lt;5</td>
<td>&lt;5</td>
</tr>
<tr>
<td>Thickness, ft</td>
<td>300 ±100</td>
<td>300 ±100</td>
</tr>
<tr>
<td>Oil Gravity</td>
<td>15-17</td>
<td>13-14</td>
</tr>
<tr>
<td>Depth, ft</td>
<td>800 ±600</td>
<td>1300 ±300</td>
</tr>
<tr>
<td>Viscosity at 200°F cps</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>Max oil Saturation %</td>
<td>70</td>
<td>70</td>
</tr>
</tbody>
</table>

### Cymric 1Y Production History

**Current stage of Berry development**

- **BOPD**
- **SOR**
- **Wellcount**
Reservoir is Homogeneous

Excellent Well Control Enabling Large Scale Development

- Good lateral continuity
- Reservoir well-defined
- Low geologic risk from exploiting a compact volume of crude oil
- Two reservoirs to exploit
- Average net thickness of 300 feet
- Depth of 200 – 1,500 feet
Diatomite Production Mechanisms
Flowback Mechanism Results in Lower Capital

- Traditionally, oil/water is lifted to the surface using down hole pump equipment and surface pumping units.
- Induced reservoir pressure from the injection cycle drives oil from the reservoir to the well bore and is produced at the surface without the need of down hole pumps.

Traditional Surface Pumping Unit

Cyclic Flowback Production
The Cyclic Solution

*Steam Creates Pressure, Fractures the Well and Provides Heat*

**Cyclic Steam**
- A typical cycle consists of 7 days of steam injection, followed by a 21 day production period
- Each well completes ~1 cycle per month

**Benefits**
- Injection periods are short enough to prevent steam fracture growth to offset wells
- Each injection/production cycle alters existing reservoir conditions inducing new fracture growth with each cycle

### Cyclic Steam Process

<table>
<thead>
<tr>
<th>Steam Injection Cycle</th>
<th>Production Cycle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small, controlled steam injection cycles are applied to limit lateral fracture growth and prevent steam breakthrough with offset wells</td>
<td>Induced reservoir pressure from the injection cycle drives oil from the reservoir to the wellbore and is produced at the surface</td>
</tr>
</tbody>
</table>
Tiltmeter Array Monitors Surface Movement
Satellite Monitors Surface Deformation

Figure 1 - InSAR imagery between February 9, 2008 and March 4, 2008 (24-days). Imagery is based on raw satellite acquisitions from the RADARSAT-1 platform.

Figure 2 - Tiltmeter imagery between February 9, 2008 and March 4, 2008 (24-days). Note that while motions within the tiltmeter bounds are precisely characterized, off-array motions are not fully identified. This is particularly true in all areas around the Belridge and directly west of the Severini lease.
Tiltmeter Array Monitors Surface Movement

Surface Deformation Implies Changes in Reservoir Pressure
Diatomite Has Strong Returns at Lower Prices

*Returns Improve with Lower SOR and Higher Recovery*

### Statistics

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price Assumption (WTI/HH)</td>
<td>$75/$7.50</td>
</tr>
<tr>
<td>Well Cost (Drill and Equip) - $M</td>
<td>$350</td>
</tr>
<tr>
<td>ROR at $75/$7.50</td>
<td>50%</td>
</tr>
<tr>
<td>Remaining Locations</td>
<td>680</td>
</tr>
<tr>
<td>Steam Oil Ratio</td>
<td>6:1</td>
</tr>
<tr>
<td>Operating Costs ($/BBL)</td>
<td>$28</td>
</tr>
<tr>
<td>Production Tax ($/BBL)</td>
<td>$1.60</td>
</tr>
<tr>
<td>PD Reserves (MMBOE)</td>
<td>8</td>
</tr>
<tr>
<td>PUD Reserves (MMBOE)</td>
<td>4</td>
</tr>
<tr>
<td>PROB Reserves (MMBOE)</td>
<td>40</td>
</tr>
<tr>
<td>2P Reserve Total</td>
<td>52</td>
</tr>
<tr>
<td>3P Reserves (MMBOE)</td>
<td>71</td>
</tr>
<tr>
<td>Future Capital for 3P Reserves $MM</td>
<td>$370</td>
</tr>
<tr>
<td>Cost to Develop 3P Reserves $/BBL</td>
<td>$6.25</td>
</tr>
</tbody>
</table>

### ROR vs. Recovery Factor & SOR

- **4:1 SOR**
- **8:1 SOR**
- **12:1 SOR**

### Rate of Return Sensitivity

- **AFIT ROR (%)**
Diatomite Unrisked NAV is $1.1 Billion at $75 WTI

Diatomite Net Asset Value

- Non-Steam Operating Costs - $7/barrel
- Steam Operating Costs - $18/barrel at $7.50 Henry Hub
- Steam Oil Ratio – 6:1
- Future Capital - $370 MM
- Risked 3P recovery (22% Recovery) – 71 MMBOE
- Unrisked 3P recovery (40% Recovery) – 132 MMBOE
- Production peaks in 2015 at 13,000 BOED
- Net Asset Value between $625 MM and $1.1 Billion at $75 WTI

Diatomite Production Forecast (BOED)
S. Midway-Sunset
Stable Cash Flow from 100-Year Old Reservoir

Asset Highlights

- Berry’s founding assets, circa 1909
- 2,000 acres with a 95% working interest and 94% NRI (nearly 100% fee acreage)
- Average well depth of 1,200 feet
- Approximately 1300 producing wells
- Oil is 13 degree heavy crude which is produced using cyclic steam injection
- Two cogeneration plants on the property (18 MW and 38 MW) provide a low cost source of steam
- Horizontal wells are drilled on 50 foot spacing
- Upside comes from improved recovery through steam optimization and the redevelopment of Ethel D
S. Midway-Sunset

*Breathing New Life into Berry’s Legacy Asset*

- Mature assets with development focused on deeper pay zones and down-dip flank areas
- Focused reservoir management strategy
  - Drilling deeper horizontal wells closer to the oil-water contact
  - Placing heat into remaining oil column to maximize recovery and value
- A total of 90 horizontal well locations were identified. Drilled 14 wells in 2007, 18 in 2008 and plan to drill 16 in 2009

**S. Midway Sunset Production Forecast**

**Implementing Down-Dip Steam Injection**

**Deeper Infill Horizontal Wells**

- Existing Horizontal Wells
- Depletion
- PDP
- 2P & 3P
- Wet Zone
- Deeper Well

**Areas that could potentially benefit from continuous steam injection**

- 8 - Current Injectors
- 9 - 2009 Injectors
- 28 - Future Injectors
Over 100 MMBOE Remaining at Ethel D
Redevelopment Offsets S. Midway Base Decline

- First lease of the Company, named after the founder’s wife
- Over 100 MMBOE in place on 160 acres
- 800 to 1,000 foot of saturated oil column
- The Monarch formation at Ethel D contains an estimated 60 MMBO; virtually undeveloped
- Favorable response from recent completion of the Lower Monarch Sand development
- In total, less than 9 MMBO have been produced out of 128 MMBO OOIP
- Ethel D has a 50 - 200 foot thick diatomite resource. Initial diatomite cycle steam testing results appear favorable, targeting 51 MMBO OOIP
- 5-year, 150 well development plan recovers 21 MMBO risked reserves with F&D of $5.86 per barrel
S. Midway-Sunset Economics
17% AFIT Returns down to $40 WTI

### Statistics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price Assumption (WTI/HH)</td>
<td>$75/$7.50</td>
</tr>
<tr>
<td>Well Cost (Drill and Equip)</td>
<td>$400M</td>
</tr>
<tr>
<td>ROR at $75/$7.50</td>
<td>55%</td>
</tr>
<tr>
<td>Remaining Locations</td>
<td>375</td>
</tr>
<tr>
<td>Operating Costs ($/BBL)</td>
<td>$14.50*</td>
</tr>
<tr>
<td>Steam Oil Ratio</td>
<td>5:1</td>
</tr>
<tr>
<td>Production Tax ($/BBL)</td>
<td>$1.50</td>
</tr>
<tr>
<td>PD Reserves (MMBOE)</td>
<td>48.5</td>
</tr>
<tr>
<td>PUD Reserves (MMBOE)</td>
<td>3.9</td>
</tr>
<tr>
<td>PROB Reserves (MMBOE)</td>
<td>28.5</td>
</tr>
<tr>
<td>2P Reserve Total</td>
<td>80.9</td>
</tr>
<tr>
<td>Future Capital for 2P Reserves $MM</td>
<td>$215</td>
</tr>
<tr>
<td>Cost to Develop 2P Reserves $/BBL</td>
<td>$7.50</td>
</tr>
</tbody>
</table>

*S. Midway benefits from lower cost cogeneration steam where 1 MCF (net of electricity revenue) generates ~6 BBLS of steam

### 38 MW Cogeneration Facility

![Cogeneration Facility Image]

### Rate of Return Sensitivity

![Graph showing rate of return sensitivity vs. Nymex Price]

Nymex Price

AFIT ROR

0% 20% 40% 60% 80% 100%

$40 $50 $60 $70 $80 $90 $100
Poso Creek

Development on Track

**Asset Highlights**

- Acquired for $3 MM in three separate transactions beginning in 2003
- 800 Acres, 100% Working Interest, 86% NRI
- Approximately 230 producing wells with an average depth of 1300 feet on 4.5 acre spacing
- Crude oil is 13 degree gravity heavy oil
- Approximately half of the field is under steam flood while the remainder uses cyclic steam
Poso Creek

Economics

<table>
<thead>
<tr>
<th>Statistics</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Price Assumption (WTI/HH)</td>
<td>$75/$7.50</td>
</tr>
<tr>
<td>Well Cost (Drill and Equip)</td>
<td>$350M</td>
</tr>
<tr>
<td>ROR at $75/$7.50</td>
<td>65%</td>
</tr>
<tr>
<td>Remaining Locations</td>
<td>63</td>
</tr>
<tr>
<td>Steam Oil Ratio</td>
<td>5:1</td>
</tr>
<tr>
<td>Operating Costs ($/BBL)</td>
<td>$22.50</td>
</tr>
<tr>
<td>Production Tax ($/BBL)</td>
<td>$1.75</td>
</tr>
<tr>
<td>PD Reserves (MMBOE)</td>
<td>5.7</td>
</tr>
<tr>
<td>PUD Reserves (MMBOE)</td>
<td>5.6</td>
</tr>
</tbody>
</table>

- Accelerated development to bridge the gap between SMWSS decline and the Diatomite ramp-up, production has steadily increased to over 3,300 BOED
- Expanding steam flood and drilling 22 infill wells in 2009 & 2010
Placerita Field
Large Resource with Redevelopment Opportunity

Asset Highlights

- Acquired in 1999 for $35 MM
- 675 acres with a 100% working interest and average NRI of 91%
- 120 surface acres owned in fee
- Average well depth of 1,800 feet
- Approximately 120 Producing wells on 2.5 acre spacing
- Oil is 13 degree gravity heavy crude oil
- Field is developed using a steam flood
- 42 MW cogeneration facility provides low cost steam
- Upside comes from steamflood redevelopment
- Reservoir description and simulation model underway
Redevelopment of Main Steamflood

Geologic and technical review revealed opportunities for redevelopment
- more OOIP in main steamflood area
- potentially upswept area within main steamflood

In 2006 seven infill wells were drilled in mature steam flood area

Confirmed that we have more un-swept oil to recover

New steamflood development approach needed to effectively process
Berry’s Production Growing as State Declines

Favorable Price Environment for Berry’s Heavy Crude Oil

Berry’s California Crude Oil Production

California Crude Oil Marketing

- All of Berry’s California crude oil is sold to Flying J
- Organic growth and 5,000 Bbl/D of acquisitions can be delivered under the contract
- Contract runs thru January of 2011
- Differential is the higher of WTI less approximately $8.15/bbl or the field posted price plus $1.35
- Field posted price is approximately WTI less $13

California State Crude Oil Production

Source: Energy Information Agency

3% CAGR

4% Compound Decline
Diatomite Fuels Growth in California Production

California Oil Production Averages 18,000 BOPD in 2009

2007 – 2009E Production Growth

[Graph showing production growth from 2006 to 2009E, with a distinct increase in Diatomite production compared to California (Excluding Diatomite).]
East Texas Assets

Michael Duginski
Executive Vice President and Chief Operating Officer
• Acquired two fields in East Texas:
  – Oakes in Limestone County
  – Darco in Harrison County
  – 4,508 net (100% WI/75% - 80% NRI)
• $650 million purchase price to acquire:
  – 335 Bcfe of proved reserves
  – 32 MMcf/D of production
• New entry into prolific, price favored basin
  – Concentrated operations
  – Excellent inventory of drilling locations and recompletions
• Repeatable development of multiple stacked reservoirs with upside in the Haynesville and Bossier shales
• 8 wells drilled and awaiting completion
• Berry assumed operations on November 1st
### Geology - Oakes and Darco Areas

#### Multi-zone Stacked Pay

#### Oakes – 7 productive sands

<table>
<thead>
<tr>
<th>SYSTEM</th>
<th>GROUP</th>
<th>FORMATION</th>
<th>Depth (ft)</th>
<th>Potential EUR (MMcfe)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower Cretaceous</td>
<td>Trinity</td>
<td>Rodessa (Ls &amp; Sh)</td>
<td>7,900</td>
<td>500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pettit (Ls &amp; Sh)</td>
<td>8,300</td>
<td>700</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vis Peak (Red Beds, Sd &amp; Sh)</td>
<td>10,500</td>
<td>500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Middle Cotton Valley (Sd &amp; Sh)</td>
<td>11,000</td>
<td>700</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cotton Valley (Sd &amp; Sh)</td>
<td>11,300-11,700</td>
<td>1,200-1,000</td>
</tr>
<tr>
<td>Jurassic</td>
<td>Lower</td>
<td>Bossier (Anhy)</td>
<td>13,000</td>
<td>500</td>
</tr>
</tbody>
</table>

#### Darco – 5 productive sands

<table>
<thead>
<tr>
<th>SYSTEM</th>
<th>GROUP</th>
<th>FORMATION</th>
<th>Depth (ft)</th>
<th>Potential EUR (MMcfe)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower Cretaceous</td>
<td>Gradwool</td>
<td>Perimeter Limestone</td>
<td>6,600</td>
<td>1,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Intra</td>
<td>6,700</td>
<td>700</td>
</tr>
<tr>
<td></td>
<td></td>
<td>U Line</td>
<td>8,800</td>
<td>700</td>
</tr>
<tr>
<td>Jurassic</td>
<td>Upper</td>
<td>Lower Cotton Valley</td>
<td>10,000</td>
<td>700</td>
</tr>
<tr>
<td></td>
<td>Upper</td>
<td>Upper Cotton Valley</td>
<td>13,000</td>
<td>1,000</td>
</tr>
</tbody>
</table>

**Average EUR per well – 3.3 Bcfe***

**Average EUR per well – 1.7 Bcfe***

---

*Not including horizontal shale potential

---

Berry Petroleum Company – 2008 Investor Conference
## Oakes Field Overview

*Limestone County*

### Asset Highlights

- 5 Gas Units covering 2,641 gross acres
- 87 producing wells
- 7 productive reservoirs from 7,900’ – 13,400’ with an average EUR/well of 3,300 MMcfe
- Full development includes:
  - 20-acre infill wells to capture the Cotton Valley Lime, Bossier Sand, Upper/Lower Cotton Valley Sands
  - Shallow wells to capture the Travis Peak
- 2 rigs currently running
- Drilling inventory
  - 67 recompletions
  - 68 drilling locations
- Upside potential includes horizontal drill of the Cotton Valley Lime and Bossier Shale

### Oakes Field Map

- Drilled and producing
- Drilled waiting on completion
East Texas

Oakes Economics

- Initial completions are in the Bossier sands and Cotton Valley Lime with later completion of the Cotton Valley and Travis Peak

<table>
<thead>
<tr>
<th>Statistics</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Well Cost</td>
<td>$4MM</td>
</tr>
<tr>
<td>Recompletion Cost</td>
<td>$0.9MM</td>
</tr>
<tr>
<td>EUR/Well</td>
<td>3.3 Bcfe</td>
</tr>
<tr>
<td>AFIT ROR @ $75/$7.50</td>
<td>50%</td>
</tr>
<tr>
<td>Remaining Locations</td>
<td>68</td>
</tr>
<tr>
<td>Operating Costs ($/Mcfe)</td>
<td>$0.80</td>
</tr>
<tr>
<td>Production Tax ($/Mcfe)</td>
<td>$0.25</td>
</tr>
</tbody>
</table>
Darco Field Overview

Harrison County

Asset Highlights

- 4 Gas Units covering 2,112 gross acres
- 33 wells producing
- 5 productive reservoirs from 6,600’ –13,000’ with an average EUR/well of 1,700 MMcfe
- Full development includes:
  - Drilling 40-acre locations
  - Recompleting additional zones in existing wells
- Drilling inventory
  - 31 recompletions
  - 22 drilling locations
- Upside potential includes 20-acre infill drilling, and Haynesville horizontal development

Darco Field Map

- Haynesville Shale tests
- Drilled and producing
- Drilled waiting on completion
East Texas

Darco Economics (Vertical Development)

- Initial completions are in the Cotton Valley and Taylor Sands with later completion of the Travis Peak

<table>
<thead>
<tr>
<th>Statistics</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Well Cost</td>
<td>$2.8 MM</td>
</tr>
<tr>
<td>Recompletion Cost</td>
<td>$0.3 MM</td>
</tr>
<tr>
<td>EUR/Well</td>
<td>1.7 Bcfe</td>
</tr>
<tr>
<td>AFIT ROR @ $75/$7.50</td>
<td>40%</td>
</tr>
<tr>
<td>Remaining Locations</td>
<td>22</td>
</tr>
<tr>
<td>Operating Costs ($/Mcfe)</td>
<td>$0.80</td>
</tr>
<tr>
<td>Production Tax ($/Mcfe)</td>
<td>$0.25</td>
</tr>
</tbody>
</table>

Rate of Return Sensitivity

- Nymex Price
  - 10
  - 100
  - 1,000
  - 10,000

- AFIT ROR
  - 0%
  - 20%
  - 40%
  - 60%
  - 80%

- Months
  - 0
  - 24
  - 48
  - 72
  - 96
  - 120
Top Tier Haynesville Potential

Berry Petroleum Company – 2008 Investor Conference

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Riddle Oil Company</td>
<td>Henry Pitts 1</td>
</tr>
<tr>
<td>Berkshire Oper LLC</td>
<td>Parker 1</td>
</tr>
<tr>
<td>Berry Petroleum</td>
<td>Doyle Harris GU 6</td>
</tr>
<tr>
<td>Penn Virginia</td>
<td>Fogle Gas Unit SH</td>
</tr>
<tr>
<td>Samson Lone Star LP</td>
<td>Anderson Roland GU</td>
</tr>
<tr>
<td>CHK</td>
<td>SRLT 29 1</td>
</tr>
<tr>
<td>EnCana</td>
<td>Martin Timber CD LL 1</td>
</tr>
<tr>
<td>EnCana</td>
<td>Adcock J W Investment 1</td>
</tr>
</tbody>
</table>

**Haynesville Shale Potential – 100 Bcfe**

300 feet of shale potential
4 producing vertical wells confirm potential
Potential of 6.5 Bcfe per well, $7 MM per well, 16 potential wells

Source: Chesapeake Energy
East Texas

Haynesville Potential

Haynesville Shale Potential

- Production tested Haynesville Shale in 4 vertical wells
- Shale thickness 250 – 300 feet
- Initial vertical production ranged between 1.2 MMCF/day and 2.1 MMCF/day
- 1280 net acres, 16 net horizontal wells
- Penn Virginia Fogle #5-H, 2.5 miles away, averaged 5MMcfe/d in first 50 days of production

Performance of Berry’s Haynesville Vertical Wells
East Texas

Haynesville Horizontal Economics

- A horizontal Haynesville well will have an EUR range of 4.5 to 8.5 BCFE per well for the core area with a mid-point of 6.5 BCFE
- Drilling and completion costs of $7.0 million per well, 8-10 stage fracture stimulation
- 4,500 foot average horizontal lateral length, 45-50 days to drill

### Statistics

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Well Cost</td>
<td>$7.0 MM</td>
</tr>
<tr>
<td>EUR/Well</td>
<td>6.5 Bcfe</td>
</tr>
<tr>
<td>AFIT ROR @ $75/$7.50</td>
<td>54%</td>
</tr>
<tr>
<td>Remaining Locations</td>
<td>16</td>
</tr>
<tr>
<td>Operating Costs ($/Mcfe)</td>
<td>$0.35</td>
</tr>
<tr>
<td>Production Tax ($/Mcfe)</td>
<td>$0.50</td>
</tr>
</tbody>
</table>

### Rate of Return Sensitivity

- The graph shows the AFIT ROR @ $75/$7.50 changing with Nymex Price.
- The X-axis represents Nymex Price in dollars per Mcf, ranging from $5.00/Mcf to $9.00/Mcf.
- The Y-axis represents AFIT ROR, ranging from 0% to 80%.

- The graph indicates a linear relationship between Nymex Price and AFIT ROR, with AFIT ROR increasing as Nymex Price increases.
East Texas

**2009 Activity**

- Running 2 rigs during 2009 drilling 12 vertical wells and 2 Haynesville horizontal wells
- Six wells waiting completion as well as 2 Haynesville vertical wells that will be completed in shallower zones
- Completions and development should allow production to grow to 38 MMCF/D in 2009 with a reduced capital program

**Marketing**

- Production receives favorable pricing at the average of Tex-Ok NGPL and Houston Ship Channel which is slightly below Henry Hub
- Gas from Darco is higher Btu at 1.1 MMbtu/Mcf and pricing reflects the higher value of the liquids

**Production Forecast**

- Forecast graph showing production growth from 2008 to 2013.

**Reserve Profile - Excluding Haynesville**

<table>
<thead>
<tr>
<th>Reserve Type</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>PD Reserves (Bcfe)</td>
<td>97</td>
</tr>
<tr>
<td>PUD Reserves (Bcfe)</td>
<td>238</td>
</tr>
<tr>
<td>PROB Reserves (Bcfe)</td>
<td>42</td>
</tr>
<tr>
<td>2P Reserve Total</td>
<td>377</td>
</tr>
<tr>
<td>Future Capital for 2P Reserves $MM</td>
<td>$425</td>
</tr>
<tr>
<td>Cost to Develop 2P Reserves $/Mcf</td>
<td>$1.50</td>
</tr>
</tbody>
</table>
East Texas Builds on California Production Base

2006 – 2009E Production Growth

- BOED

- 2006 – 2009E

- E. Texas
- Diatomite

- California (Excluding Diatomite)
Rocky Mountain Assets

Dan Anderson
Vice President of Rocky Mountain Production
**Piceance Assets**

### Asset Highlights

- Two acquisitions in 2006 totaling $312 MM:
  - Garden Gulch with 3,157 net acres (50% working interest, 39% NRI)
  - N. Parachute with 4,130 net acres (95% Working Interest, 79% NRI)
- 10-acre down spacing development targeting the Williams Fork section of the Mesaverde at approximately 10,000 feet
- Drilling 74 wells in 2008; 25 wells drilled awaiting completion
- Approximately 110 producing wells
- Over 900 remaining drilling locations with 2P reserves of 850 Bcfe
Piceance Assets
Scaling Back Development Plan Due to Lower Realized Prices

• Even though drilling costs reduced in 2008, scaled back development in response to weakness in Rockies gas market and releasing 3 of the 4 drilling rigs
• Focus in 2009 will be on completion optimization and ultimate recovery per well now that drilling cost reduced
• New completion technology supports 25%+ increase in estimated ultimate recoveries in the basin
• Beginning to see service costs respond to industry activity pull-back (rigs, steel products) which can lower our well costs below $2 MM as costs adjust down
• Anticipate 30% production growth in 2009 from completion activity only
• Can resume development as differentials decrease and recoveries increase
Piceance Basin Marketing

Basin Continues to Need Additional Take Away Capacity

- Have 35,000 MMBtu/d of Transportation in Rockies Express through 2018
- Receiving Panhandle pricing in 2008 and Dominion pricing when expansion is complete in 2009
- Contracted for an additional 35,000 MMBtu/d on the Ruby pipeline expected to come online in 2011
Piceance Assets

Economics

### Statistics

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Well Cost (Drill and Equip) ($MM)</td>
<td>$2</td>
</tr>
<tr>
<td>EUR/Well (Bcfe)</td>
<td>1.45</td>
</tr>
<tr>
<td>ROR at $75/$7.50</td>
<td>20%</td>
</tr>
<tr>
<td>Remaining Locations</td>
<td>927</td>
</tr>
<tr>
<td>Operating Costs ($/MCF)</td>
<td>$2.60</td>
</tr>
<tr>
<td>Production Tax ($/MCF)</td>
<td>$0.40</td>
</tr>
<tr>
<td>PD Reserves (MMBOE)</td>
<td>6.2</td>
</tr>
<tr>
<td>PUD Reserves (MMBOE)</td>
<td>16.9</td>
</tr>
<tr>
<td>PROB Reserves (MMBOE)</td>
<td>120</td>
</tr>
<tr>
<td>2P Reserve Total (MMBOE)</td>
<td>143.1</td>
</tr>
<tr>
<td>Future Capital for 2P Reserves $MM</td>
<td>$1,750</td>
</tr>
<tr>
<td>Cost to Develop 2P Reserves $/BBL</td>
<td>$12.90</td>
</tr>
</tbody>
</table>

### Single Well Economics

- **AFIT ROR**:
  - 0%
  - 10%
  - 20%
  - 30%
  - 40%

- **Nymex Price**:
  - $5.00/Mcf
  - $6.00/Mcf
  - $7.00/Mcf
  - $8.00/Mcf
  - $9.00/Mcf

### Piceance Type Curve

- **MCF/D**
  - 0
  - 10
  - 100
  - 1,000
  - 10,000

- **Months**:
  - 0
  - 12
  - 24
  - 36
  - 48
  - 60

- **20% Recovery Improvement**:
  - $2 MM Well

![Graph showing single well economics with Nymex price and AFIT ROR variations.](image-url)
Berry Petroleum Company – 2008 Investor Conference

Uinta Assets
Brundage Canyon Overview

Asset Highlights

• Acquired for $45 million in 2003
• 55,000 Acres with a 100% WI, 80% NRI
• 420 Producing wells on 40 acre spacing
• Average well depth of 6,000 feet targeting the Green River formation
• Approximately 60% 40 degree gravity black wax crude oil and 40% natural gas
• Drilling inventory of 325 wells, majority in the Ashley Forest
• Currently have 13 producing wells in the Ashley Forest. Encouraging 2008 results with well tests from 75 to 225 BOED
• Expect Ashley EIS approval in mid 2009
• Differential is a percentage of WTI and ranges between $15 and $20 at WTI prices between $60 and $80
• Upside from waterflood potential and 20 acre downspacing
Uinta Assets

Lake Canyon - Seismic Data Leads to New Approach

Asset Highlights

- 163,000 acres acquired in 2004
- 75% working interest in shallow (Green River) formation and 25% in the deep (Wasatch/Mesaverde)
- BRY drilled 10 Green River wells between 2005 and 2007 with similar EUR to Brundage Canyon
- Complex area with significant faulting and fracturing, challenging geochemistry and rugged terrain
- 3D seismic data identified structural features used to select 2008 well locations
- Drilled 4 wells during Q4 '08 which are in the process of completion
## Asset Highlights

- Acquired in 2005 for $105 MM
- 130,000 Acres, 61% Working Interest, 48% NRI
- Approximately 1,200 producing wells on 40-acre spacing
- Shallow Niobrara gas development with an average depth of 2,600 feet
- Drilling locations are identified using 3D seismic
- Wells can be drilled in less than a day using a coiled tubing rig
- Since acquiring asset Berry has drilled 542 wells, including 107 in 2008 with 99% success rate
- Upside comes from additional probable reserve conversion from 3D seismic, replacement well drilling, and pumping unit installations
- Have 17,500 MMBtu/D of firm transportation on Cheyenne Plains and KMIGT (Panhandle Eastern pricing)
Closing Remarks

Bob Heinemann
President and CEO
Production Grows by 13% in 2009
Stable Base Provides Growth Within Cash Flow at $75 WTI

Oil production grows 2%, while natural gas production grows 30%

2006 – 2009E Production

- E. Texas
- Piceance
- Uinta and DJ Assets
- Diatomite
- California (Excluding Diatomite)
Public Market Valuation

- Berry trades at a 20% discount to year-end ’07 proved SEC PV10 (at $79 WTI, $6.30 HH) without East Texas
- Berry’s Diatomite asset alone is valued at $625 million to $1.1 billion after tax
- In addition, Berry has another 200 MMBOE of probable reserves in its other assets

<table>
<thead>
<tr>
<th>Firm Value</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Price (Nov. 11, 2008)</td>
<td>$17.36</td>
</tr>
<tr>
<td>Shares Outstanding – MM</td>
<td>45.5</td>
</tr>
<tr>
<td>Equity Value - $MM</td>
<td>$790</td>
</tr>
<tr>
<td>Net Debt - $MM</td>
<td>$1,136</td>
</tr>
<tr>
<td>Firm Value - $MM</td>
<td>$1,926</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Valuation Multiples</th>
<th>Statistic Range</th>
<th>Multiples Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>FV/Proved Reserves (MMBOE)</td>
<td>230 - 245 MMBOE</td>
<td>$8.37 - $7.86</td>
</tr>
<tr>
<td>FV/2P Reserves (MMBOE)</td>
<td>485 - 500 MMBOE</td>
<td>$3.97 - $3.85</td>
</tr>
<tr>
<td>FV/2009E Production (BOED)</td>
<td>36,600 – 37,600 BOED</td>
<td>$52,600 – $51,200</td>
</tr>
<tr>
<td>FV/2009E EBITDAX</td>
<td>$410 - 460 MM</td>
<td>4.7x – 4.2x</td>
</tr>
<tr>
<td>EV/2009E CASH FLOW</td>
<td>$355 - 395 MM</td>
<td>2.2x – 2.0x</td>
</tr>
<tr>
<td>EV/2009E NET INCOME</td>
<td>$120 - 132 MM</td>
<td>6.6x – 6.1x</td>
</tr>
</tbody>
</table>
### Berry’s Key Messages for Today

| Profitability in high and low price environments | Berry delivers competitive margins even with its mix of heavy oil and natural gas  
Relative insensitivity to natural gas moderates commodity price volatility  
Active hedging program provides a floor on the company’s cash flow |
|---|---|
| Value of Berry’s Diatomite is compelling | 330 Million barrels of oil in place on 450 acres  
Currently targeting 23% recovery with upside potential to 40% recovery  
Production grows steadily to 13,000 BOED in 2015  
Net asset value ranges between $625 Million and $1.1 Billion at $75 WTI |
| Low risk resource base delivers predictable results | Portfolio has low geologic risk, enabling organic growth with low F&D  
Since ‘02 California proved reserves remain flat at 100 MMBOE after production of 30 MMBOE  
Low base decline of oil assets allows for significant growth within cash flow |
| Flexibility within investment portfolio | Operational control of nearly all assets allows for quick reaction to changes in the business  
‘09 Capital focused on California oil, E. Texas development and Piceance recompletions  
All asset teams will generate free cash flow in ‘09 at $75 WTI and $7.50 HH  
Development of the Diatomite asset will continue at all prices for long term value creation |
| Track record of execution | Reputation of improving recovery and finding new reserves on legacy assets  
Delivered 12% compound reserve and production growth over the last 5 years  
Demonstrated ability to build a business and convert unproven resources to cash flow |