

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

For the quarterly period ended June 30, 1997

Commission file number 1-9735

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

DELAWARE
(State or other jurisdiction of
incorporation or organization)

77-0079387
(I.R.S. Employer
Identification No.)

28700 Hovey Hills Road, P.O. Bin X, Taft, California
(Address of principal executive offices)

93268
(Zip Code)

Registrant's telephone number, including area code (805) 769-8811

Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report:

NONE

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES (X) NO ()

The number of shares of each of the registrant's classes of capital stock outstanding as of June 30, 1997 was 21,074,672 shares of Class A Common Stock (\$.01 par value) and 898,892 shares of Class B Stock (\$.01 par value). All of the Class B Stock is held by a shareholder who owns in excess of 5% of the outstanding stock of the registrant.

2

BERRY PETROLEUM COMPANY
JUNE 30, 1997
INDEX

PART I. Financial Information	Page No.
Report of Coopers & Lybrand L.L.P., Independent Accountants	3
Item 1. Financial Statements	
Condensed Balance Sheets at June 30, 1997 and December 31, 1996	4
Condensed Income Statements for the Three Month Periods Ended June 30, 1997 and 1996	5

Condensed Income Statements for the Six Month Periods Ended June 30, 1997 and 1996	6
Condensed Statements of Cash Flows for the Six Month Periods Ended June 30, 1997 and 1996	7
Notes to Condensed Financial Statements	8
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	9
PART II. Other Information	
Item 4. Submission of Matters to a Vote of Security Holders	11
Item 6. Exhibits and Reports on Form 8-K.	12
SIGNATURES	12

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors
Berry Petroleum Company

We have reviewed the accompanying condensed balance sheet of Berry Petroleum Company as of June 30, 1997, the condensed statements of income for the three and six month periods ended June 30, 1997 and 1996, and the condensed statements of cash flows for the six month periods ended June 30, 1997 and 1996. These interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical review procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying condensed financial statements for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the balance sheet as of December 31, 1996, and the related statements of income, retained earnings and cash flows for the year then ended (not presented herein); and in our report dated February 28, 1997, we expressed an unqualified opinion on those financial statements. In our

opinion, the information set forth in the accompanying condensed balance sheet as of December 31, 1996 is fairly stated, in all material respects, in relation to the balance sheet from which it has been derived.

/s/ COOPERS & LYBRAND L.L.P.

COOPERS & LYBRAND L.L.P.
Los Angeles, California
August 1, 1997

3

4

BERRY PETROLEUM COMPANY
Part I. Financial Information
Item 1. Financial Statements
Condensed Balance Sheets
(In Thousands, Except Share Information)

	June 30, 1997 (Unaudited)	December 31, 1996
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 7,532	\$ 9,970
Cash-restricted	-	2,570
Short-term investments - available for sale	705	704
Accounts receivable	10,002	11,701
Prepaid expenses and other	1,412	1,307
 Total current assets	 19,651	 26,252
Oil and gas properties (successful efforts basis), buildings and equipment, net	153,974	149,510
Other assets	831	641
	 \$ 174,456	 \$ 176,403
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 6,516	\$ 5,154
Accrued liabilities	1,556	5,300
Federal and state income taxes payable	892	1,048
Notes payable	-	6,900
 Total current liabilities	 8,964	 18,402
Long-term debt	36,000	36,000
Deferred income taxes	23,299	20,992
Shareholders' equity:		
Preferred stock, \$.01 par value; 2,000,000 shares authorized; no shares outstanding	-	-
Capital stock, \$.01 par value:		
Class A Common Stock, 50,000,000 shares authorized; 21,074,672 shares issued and outstanding at June 30, 1997 (21,046,885 at December 31, 1996)	211	210
Class B Stock, 1,500,000 shares authorized; 898,892 shares issued and outstanding (liquidation preference of \$899)	9	9
Capital in excess of par value	53,138	53,029
Retained earnings	52,835	47,761
 Total shareholders' equity	 106,193	 101,009
	 \$ 174,456	 \$ 176,403
	=====	=====

The accompanying notes are an integral part of these financial statements.

5

BERRY PETROLEUM COMPANY
 Part I. Financial Information
 Item 1. Financial Statements
 Condensed Income Statements
 Three Month Periods Ended June 30, 1997 and 1996
 (In Thousands, Except Per Share Data)
 (Unaudited)

	1997	1996
Revenues:		
Sales of oil and gas	\$ 15,988	\$ 13,219
Interest and other income, net	252	507
	<u>16,240</u>	<u>13,726</u>
Expenses:		
Operating costs	4,938	3,748
Depreciation, depletion and amortization	2,353	1,688
General and administrative	1,347	1,294
Interest and other, net	581	75
	<u>9,219</u>	<u>6,805</u>
Income before income taxes	7,021	6,921
Provision for income taxes	2,369	2,523
Net income	<u>\$ 4,652</u> =====	<u>\$ 4,398</u> =====
Net income per share	<u>\$.21</u> =====	<u>\$.20</u> =====
Weighted average number of shares of capital stock used to calculate earnings per share	<u>21,973</u> =====	<u>21,939</u> =====
Cash dividends per share	<u>\$.10</u> =====	<u>\$.10</u> =====

The accompanying notes are an integral part of these financial statements.

6

BERRY PETROLEUM COMPANY
 Part I. Financial Information
 Item 1. Financial Statements
 Condensed Income Statements
 Six Month Periods Ended June 30, 1997 and 1996
 (In Thousands, Except Per Share Data)
 (Unaudited)

1997	1996
------	------

Revenues:		
Sales of oil and gas	\$ 33,014	\$ 25,364
Interest and other income, net	809	965
	-----	-----
	33,823	26,329
	-----	-----
Expenses:		
Operating costs	10,506	7,562
Depreciation, depletion and amortization	4,972	3,315
General and administrative	2,948	2,393
Interest and other, net	1,156	75
	19,582	13,345
	-----	-----
Income before income taxes	14,241	12,984
Provision for income taxes	4,772	4,725
	-----	-----
Net income	\$ 9,469	\$ 8,259
	=====	=====
Net income per share	\$.43	\$.38
	=====	=====
Weighted average number of shares of capital stock used to calculate earnings per share	21,970	21,935
	=====	=====
Cash dividends per share	\$.20	\$.20
	=====	=====

The accompanying notes are an integral part of these financial statements.

6

7

BERRY PETROLEUM COMPANY
Part I. Financial Information
Item 1. Financial Statements
Condensed Statements of Cash Flows
Six Month Periods Ended June 30, 1997 and 1996
(In Thousands)
(Unaudited)

	1997	1996
Cash flows from operating activities:		
Net income	\$ 9,469	\$ 8,259
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	4,972	3,315
Increase in deferred income tax liability	2,307	1,019
Other, net	(665)	184
	-----	-----
Net working capital provided by operating activities	16,083	12,777
Decrease (increase) in accounts receivable, prepaid expenses and other	1,594	(172)
Decrease in current liabilities	(2,538)	(1,115)
	-----	-----
Net cash provided by operating activities	15,139	11,490

Cash flows from investing activities:		
Capital expenditures	(9,357)	(5,183)
Maturities of short-term investments	-	8,190
Return of restricted cash	2,570	-
Other, net	491	-
	<hr/>	<hr/>
Net cash provided by (used in) investing activities	(6,296)	3,007
Cash flows from financing activities:		
Dividends paid	(4,395)	(4,387)
Payment of short-term notes payable	(6,900)	-
Proceeds from issuance of long-term debt	3,000	-
Payment of long-term debt	(3,000)	-
Other, net	14	148
	<hr/>	<hr/>
Net cash used in financing activities	(11,281)	(4,239)
Net increase (decrease) in cash and cash equivalents		
	(2,438)	10,258
Cash and cash equivalents at beginning of year		
	9,970	18,759
	<hr/>	<hr/>
Cash and cash equivalents at end of period	\$ 7,532	\$ 29,017
	=====	=====
Supplemental disclosures of cash flow information:		
Income taxes paid	\$ 2,685	\$ 3,959
	=====	=====

The accompanying notes are an integral part of these financial statements.

7

8

BERRY PETROLEUM COMPANY
Part I. Financial Information
Item 1. Financial Statements
Notes to Condensed Financial Statements
June 30, 1997
(Unaudited)

1. All adjustments which are, in the opinion of Management, necessary for a fair presentation of the Company's financial position at June 30, 1997 and December 31, 1996, results of operations and cash flows for the six month periods ended June 30, 1997 and 1996 and results of operations for the three month periods ended June 30, 1997 and 1996 have been included. All such adjustments are of a normal recurring nature. The results of operations and cash flows are not necessarily indicative of the results for a full year.

2. The accompanying unaudited financial statements have been prepared on a basis consistent with the accounting principles and policies reflected in the December 31, 1996 financial statements. The December 31, 1996 Form 10-K and the Form 10-Q for the period ended March 31, 1997 should be read in conjunction herewith. The year-end condensed balance sheet was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles.

8

BERRY PETROLEUM COMPANY
 Part I. Financial Information
 Item 2. Management's Discussion and Analysis of
 Financial Condition and Results of Operations

Results of Operations

The Company had net income of \$4.7 million for the three months ended June 30, 1997, or \$.21 per share, up 7% from net income of \$4.4 million, or \$.20 per share, in the second quarter of 1996. For the six months ended June 30, 1997, the Company had net income of \$ 9.5 million or \$.43 per share, up 14% from \$8.3 million, or \$.38 per share, for the first six months of 1996.

	Three Months Ended			Six Months Ended	
	June 30 1997	March 31 1997	June 30 1996	June 30 1997	June 30 1996
Net Production-BOE/day	12,253	11,697	9,465	11,976	9,276
Average Sales Price/BOE	\$14.26	\$16.16	\$15.27	\$15.18	\$14.96
Operating Costs/BOE*	\$ 4.43	\$ 5.29	\$ 4.35	\$ 4.85	\$ 4.48
Depreciation/Depletion (DD&A)/BOE	\$ 2.11	\$ 2.49	\$ 1.96	\$ 2.29	\$ 1.96
General and Administrative Expenses (G&A)/BOE	\$ 1.21	\$ 1.52	\$ 1.50	\$ 1.36	\$ 1.42

*includes production taxes

Operating income from producing operations was \$8.7 million in the second quarter of 1997 and \$17.5 million for the six months ended June 30, 1997, up 12% and 21%, respectively, from \$7.8 million in the second quarter of 1996 and \$14.5 million in the six months ended June 30, 1996.

Despite weaker oil prices in the second quarter of 1997, the Company achieved an improvement in operating income in the second quarter and first half of 1997 compared to the same periods in 1996 due primarily to higher oil and gas production volumes. Oil and gas production of 12,253 BOE/day in the second quarter and 11,976 BOE/day for the first six months of 1997 were 29% higher than 9,465 BOE/day in the second quarter of 1996 and 9,276 BOE/day in the first six months of 1996, respectively. The increases were due to production from properties acquired in the fourth quarter of 1996 and the drilling and workover programs for 1996 and 1997. Production on the Formax properties, purchased by the Company in December 1996, has increased by approximately 1,000 BOPD to a current level of approximately 1,950 BOE/day. Further development is planned on these and other properties operated by the Company in 1997 which should further increase total production in the third and fourth quarters of 1997. Crude oil price postings for the Company's 13 degree API gravity crude oil decreased in the second quarter from a price of \$15.38 on April 1, 1997 to a low of \$13.00 on June 19, 1997 and closed the quarter at \$13.38. The average sales price per BOE received by the Company declined \$1.90, or 12%, to \$14.26 in the second quarter from \$16.16 in the first quarter of 1997.

The 1997 capital program, which includes the most active drilling program in the Company's history, includes 92 new development wells and 93 workover projects, primarily on the properties acquired in 1996 and the other leases operated in the Midway-Sunset field. As of August 4, 1997, 61 of the development wells and 43 of the workovers were complete.

Due to the success to date of the 1997 capital program and the reservoir response of recent steam stimulation efforts, the Company expects production to continue the recent trend of quarterly increases for the remainder of 1997.

Operating costs per BOE were \$4.43 in the second quarter of 1997, \$.86 or 16%, lower than \$5.29 per BOE for the first quarter of 1997 and comparable to \$4.35 per BOE in the second quarter of 1996. The decrease

from the first quarter of 1997 was due primarily to lower fuel gas costs and costs incurred in the first quarter to integrate the facilities of the acquired properties into existing operations.

DD&A expense per BOE for the three month period ended June 30, 1997 was \$2.11, down \$.38, or 15%, from \$2.49 in the first quarter of 1997, but up \$.15, or 8%, from \$1.96 in the second quarter of 1996. DD&A/BOE has increased slightly in 1997 due to higher DD&A/BOE incurred on the properties acquired in the fourth quarter of 1996.

G&A decreased both on an aggregate and per BOE basis to \$1.3 million, or \$1.21 per BOE, in the second quarter of 1997 from \$1.6 million, or \$1.52, in the first quarter of 1997. G&A was \$1.3 million, or \$1.50 per BOE, in the second quarter of 1996. As was anticipated in our first quarter filing, G&A expressed on a per BOE basis is declining and Management expects this trend to continue in the second half of 1997.

Liquidity and Capital Resources

Working capital at June 30, 1997 was \$10.7 million, down 20% from \$13.4 million at March 31, 1997, but up 35% from \$7.9 million at December 31, 1996. Net cash provided by operations was \$15.1 million in the first half of 1997, up 31% from \$11.5 million generated in the first six months of 1996. This improvement in cash flow was a direct result of increased oil and gas production and revenue while maintaining comparable operating and G&A costs expressed on a per barrel basis.

In the 1997 six month period, cash was used to retire \$6.9 million in notes payable, fund capital expenditures of \$9.4 million, which included the drilling of development wells and several enhancements to the Midway-Sunset facilities, and to pay dividends of \$4.4 million.

Future Developments

In June 1997, the Financial Accounting Standards Board issued SFAS No. 130 "Reporting Comprehensive Income" and SFAS No. 131 "Disclosures about Segments of an Enterprise and Related Information". SFAS No. 130 establishes standards for reporting and display of comprehensive income and its components (revenues, expenses, gains, and losses) in a full set of financial statements. SFAS No. 130 is effective for fiscal years beginning after December 1997. SFAS No. 131 establishes standards for the way public business enterprises report information about operating segments in annual and interim financial statements. It also establishes standards for related disclosures about products and services, geographic areas, and major customers. SFAS No. 131 is effective for financial statements for periods beginning after December 15, 1997. The Company is currently evaluating the impact of both SFAS No. 130 and SFAS No. 131 on its financial statements.

10

11

BERRY PETROLEUM COMPANY Part II. Other Information

Item 4. Submission of Matters to a Vote of Security Holders

At the annual meeting, which was held at the Company's corporate offices on May 16, 1997, eleven incumbent directors were re-elected. Also, the firm of Coopers & Lybrand L.L.P. was ratified as the Company's independent accountants for 1997. The results of voting as reported by the inspector of elections are noted below:

1. There were 21,972,326 shares of the Company's common stock issued, outstanding and entitled to vote as of the record date, March 24, 1997.
2. There were present at the meeting, in person or by proxy, the holders of 19,319,827 shares, representing 87.93% of the total number of shares outstanding and entitled to vote at the meeting, such percentage representing a quorum.

PROPOSAL ONE: Election of Directors

	VOTES FOR	PERCENT	WITHHELD
Benton Bejach	18,925,776	86.13%	394,051
William F. Berry	18,924,810	86.13%	395,017
Gerry A. Biller	18,926,510	86.14%	393,317
Ralph B. Busch, III	18,926,363	86.14%	393,464
William E. Bush, Jr.	18,926,610	86.14%	393,217
William B. Charles	18,924,810	86.13%	395,017
Richard F. Downs	18,926,450	86.14%	393,377
John A. Hagg	18,926,750	86.14%	393,077
Jerry V. Hoffman	18,926,910	86.14%	392,917
Thomas J. Jamieson	18,925,910	86.14%	393,917
Roger G. Martin	18,926,710	86.14%	393,117

PROPOSAL TWO: Ratify the selection of Coopers & Lybrand L.L.P. as the independent accountants for the year 1997.

VOTES FOR	19,248,419	87.60%
AGAINST	1,496	.00%
ABSTAIN	69,912	.31%
BROKER NON-VOTE	0	.00%

11

12

Item 6. Exhibits and Reports on Form 8-K

Exhibit 15 - Accountants' Awareness Letter

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 thereunto duly authorized.

BERRY PETROLEUM COMPANY

/s/ Jerry V. Hoffman
 Jerry V. Hoffman
 Chairman, President and
 Chief Executive Officer

/s/ Ralph J. Goehring
 Ralph J. Goehring
 Senior Vice President and
 Chief Financial Officer
 (Principal Financial Officer)

/s/ Donald A. Dale
 Donald A. Dale
 Controller
 (Principal Accounting Officer)

Date: August 4, 1997

12

13

EXHIBIT 15. ACCOUNTANTS AWARENESS LETTER

COOPERS 350 South Grand Avenue telephone (213) 356-6000
& LYBRAND L.L.P. Los Angeles, CA 90071-3405 facsimile (213) 356-6363

August 1, 1997

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington D.C. 20549

Re: Berry Petroleum Company
Commission File No. 1-9735

We are aware that our report dated August 1, 1997 on our review of the interim condensed financial statements of Berry Petroleum Company for the three and six-month periods ended June 30, 1997, and included in the Company's quarterly report on Form 10-Q for the quarter then ended, is incorporated by reference in the registration statements on Form S-8 (File No. 33-23326 and 33-61337). Pursuant to Rule 436(c) under the Securities Act of 1933, this report should not be considered a part of the registration statements prepared or certified by us within the meaning of Sections 7 and 11 of that Act.

/s/ Coopers & Lybrand L.L.P.

Coopers & Lybrand L.L.P., a registered limited liability partnership, is a member firm of Coopers & Lybrand (International)

13

<ARTICLE> 5
<CIK> 0000778438
<NAME> BERRY PETROLEUM COMPANY
<MULTIPLIER> 1,000

<PERIOD-TYPE>	6-MOS	
<FISCAL-YEAR-END>		DEC-31-1997
<PERIOD-END>		JUN-30-1997
<CASH>		7,532
<SECURITIES>		705
<RECEIVABLES>		10,002
<ALLOWANCES>		0
<INVENTORY>		0
<CURRENT-ASSETS>		19,651
<PP&E>		231,645
<DEPRECIATION>		77,671
<TOTAL-ASSETS>		174,456
<CURRENT-LIABILITIES>		8,964
<BONDS>		0
<PREFERRED-MANDATORY>		0
<PREFERRED>		0
<COMMON>		220
<OTHER-SE>		105,973
<TOTAL-LIABILITY-AND-EQUITY>		174,456
<SALES>		33,014
<TOTAL-REVENUES>		33,823
<CGS>		0
<TOTAL-COSTS>		15,478
<OTHER-EXPENSES>		3,523
<LOSS-PROVISION>		0
<INTEREST-EXPENSE>		581
<INCOME-PRETAX>		14,241
<INCOME-TAX>		4,772
<INCOME-CONTINUING>		9,469
<DISCONTINUED>		0
<EXTRAORDINARY>		0
<CHANGES>		0
<NET-INCOME>		9,469
<EPS-PRIMARY>		.43
<EPS-DILUTED>		.43