

BERRY PETROLEUM CO
Form 11-K
October 01, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

Commission File Number 1-9735

- A. Full title of the plan and the address of the plan, if
different from that of the issuer named below:

BERRY PETROLEUM COMPANY THRIFT PLAN

- B. Name of issuer of the securities held pursuant to the plan
and the address of its principal executive office:

Berry Petroleum Company
5201 Truxtun Avenue, Suite 300
Bakersfield, California 93309-0640

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BERRY PETROLEUM COMPANY
THRIFT PLAN

AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE

December 31, 2002 and 2001

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BERRY PETROLEUM COMPANY THRIFT PLAN

December 31, 2002 and 2001

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INDEPENDENT AUDITOR'S REPORT

To the Administrator of the
Berry Petroleum Company Thrift Plan

We have audited the accompanying statements of net assets available for benefits of the Berry Petroleum Company Thrift Plan as of December 31, 2002 and 2001, and the related statement of changes in net assets available for benefits for the year ended December 31, 2002. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Berry Petroleum Company Thrift Plan as of December 31, 2002 and 2001 and the changes in net assets available for benefits for the year ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion

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on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2002, is presented for the purpose of additional analysis and is not required part of the basic financial statements, but is supplementary information required by the United States Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Daniells, Phillips, Vaughan & Bock

Bakersfield, California
June 13, 2003

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BERRY PETROLEUM COMPANY THRIFT PLAN
Statements of Net Assets Available for Benefits
December 31, 2002 and 2001

	2002	2001
ASSETS:		
Investments, at fair value	\$ 7,789,205	\$ 8,432,666
Investments, at values quoted by trust	5,444,806	-
Investments, at contract value	-	4,746,085
Participant loans	513,137	532,097
	-----	-----
Net assets available for benefits	\$ 13,747,148	\$ 13,710,848
	=====	=====

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

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Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2002

ADDITIONS:	
Additions to net assets attributable to:	
Contributions:	
Participants	\$ 625,837
Employer	414,389
Rollovers	10,262

	1,050,488

Interest and dividends	265,930
Participant loan interest payments	49,988
Net (depreciation) in fair value of investments	(946,830)

	(630,912)

Total additions	419,576

DEDUCTIONS:	
Deductions from net assets attributable to:	
Administrative fees	3,239
Benefits paid to participants	380,037

Total deductions	383,276

Net increase	36,300
Net assets available for benefits:	
Beginning of year	13,710,848

End of year	\$13,747,148
	=====

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

BERRY PETROLEUM COMPANY THRIFT PLAN
NOTES TO FINANCIAL STATEMENTS

Note 1. Plan Description

The following description of the Berry Petroleum Company Thrift Plan (the "Plan") is provided for general information purposes only.

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Participants should refer to the Plan Agreement for more complete information.

General

The Plan is a defined contribution plan under Section 401(k) of the Internal Revenue Code (the "Code"). All employees of Berry Petroleum Company (the "Company") who have completed six months of service, as defined in the Plan Agreement, and who are not covered by a collective bargaining agreement with retirement benefits, are eligible to participate in the Plan.

Contributions

Employees who elect to participate in the Plan must contribute 6% of their annual earnings as a basic tax-deferred contribution. The Company matches 100% of this employee contribution. The Plan provides for a Company match in excess of 6% if certain financial results are achieved. Company matching contributions can range from 6% to 9% of eligible participating employee earnings for active participants in the Plan. Matching contributions were from 6% to 9% in both 2002 and 2001 and averaged approximately 6.83% and 7.25% for 2002 and 2001, respectively. The Plan allowed employees to contribute a maximum combined pre-tax and after-tax deferral of 60% as of May 1, 2002, up from a previous limit of 16%.

Participant and employer contributions are subject to statutory limitations, which for 2002 were \$11,000 pre-tax and \$40,000 total for all employee and employer contributions. Employees who have attained the age of 50 by the end of the Plan year were eligible to make an additional catch-up contribution of \$1,000 for 2002. Participants vest immediately in their contributions, and vesting in employer contributions is at a rate of 20% per year of service during the first five years of employment.

Investment Funds

The investment selections available to participants are as follows:

Berry Petroleum Company Common Stock	Spartan U.S. Equity Index Fund
Managed Income Portfolio	Fidelity U.S. Bond Index Fund
Fidelity Contrafund	Fidelity Freedom Income Fund
Fidelity Diversified	Fidelity Freedom 2000 Fund
International Fund	
Fidelity Equity Income I Fund	Fidelity Freedom 2010 Fund
Fidelity Growth & Income Fund	Fidelity Freedom 2020 Fund
Fidelity Low Priced Stock Fund	Fidelity Freedom 2030 Fund
Fidelity Puritan Fund	Fidelity Freedom 2040 Fund

Contributions made by or on behalf of Plan participants are invested monthly and held under a trust agreement in one or more of the investment funds selected by the Plan Sponsor in accordance with the provisions of the Plan Agreement and as directed by the participants. Employees are able to choose to have their contributions invested in the Managed Income Portfolio, Berry Petroleum Company Common Stock

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and a selection of mutual funds, currently at 14. With the maturity on December 31, 2001 of the last separate GIC contract, all of the funds allocated to the Blended Income Fund were moved to Fidelity's Managed Income Portfolio, a common collective trust, effective February 1, 2002. The Managed Income Portfolio is designed to preserve capital and achieve a competitive level of income over time while attempting to maintain a participant's unit value at one dollar per share, similar to a money market fund.

The 14 mutual funds available for investments noted above are: Fidelity Contrafund seeks high capital appreciation, Fidelity Diversified International seeks capital appreciation investing in equity markets worldwide but mainly those in the Morgan Stanley EAFE Index, which excludes the United States, Fidelity Equity Income I is a stock fund seeking capital appreciation and dividend income that exceeds the yield of the Standard & Pears 500 Index ("S & P 500 Index"), Fidelity Growth & Income seeks long-term capital growth, current income and growth of income, consistent with reasonable investment risk, Fidelity Low Priced Stock seeks capital appreciation by investing mainly in low-priced common stocks (less than \$35.00 at original purchase), Fidelity Puritan seeks as much income as possible, consistent with the preservation of capital, by investing in common stocks, bonds and preferred stock, Spartan U. S. Equity Index is a stock index fund that seeks investment results that correspond to the total return performance of the S & P 500 Index by duplicating the investment composition.

Fidelity U. S. Bond Index seeks to provide investment results that correspond to the aggregate price and interest performance of the debt securities of the Lehman Brothers Aggregate Bond Index. Fidelity Freedom Income seeks a high level of current income with capital appreciation as a secondary objective. The Fidelity Freedom 2000, 2010, 2020, 2030 and 2040 mutual funds are designed to provide attractive long-term returns consistent with the targeted investment horizon.

The Plan had group annuity contracts ("GICs") with John Hancock Mutual Life Insurance Company ("John Hancock") during 2001 and in prior years. All of the Plan's group annuity contracts were fully benefit responsive. Each account was credited with income determined at a fixed interest rate until maturity. These contracts are included in the financial statements at cash value at December 31, 2001 because the last contract matured on December 31, 2001.

The following investments had values at December 31, 2002 and 2001 representing more than 5% of net assets available for Plan benefits:

	2002	2001
Fidelity Managed Income Portfolio	\$ 5,444,806	\$ -
Blended Income Fund	-	4,746,085
Fidelity Contrafund	1,545,417	1,744,808
Fidelity Low-Priced Stock	1,145,130	1,119,056
Fidelity Diversified International	822,059	859,990
Fidelity Growth & Income	808,021	932,406
Spartan U.S. Equity Index	767,638	876,582
Fidelity Equity Income I	628,882	751,693

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NOTES TO FINANCIAL STATEMENTS

Note 1. Plan Description, continued

The following table presents a summary of credited interest rates and average yield information for each of the GICs for the period shown:

Issuer	2001	
	Credited Interest Rate	Average Yield
John Hancock Contract #2	6.17% due 12/31/2001	6.17%

Participant Accounts

Participant statements are prepared and distributed quarterly. However, the participant can access their account daily with Fidelity's Net Benefits online service. Each participant's account is credited with the participant's and the Company's contributions, in addition to the allocation of any Plan earnings or losses and forfeitures of terminated participants' nonvested accounts. Earnings or losses are allocated on a fund-by-fund basis. Allocations are based on the ratio of the participant's account balance in each mutual fund to the total assets of the mutual fund. Allocation of forfeitures is based on service units from 0 to 12 depending on months of service during the year. Only employees who are active participants at December 31 each year are eligible for the allocation of forfeitures to their accounts. Forfeitures allocated to participant accounts for the years ended December 31, 2002 and 2001 totaled \$24,839 and \$5,975, respectively.

Participant Loans

Participants are entitled to borrow from their vested account balances in amounts from \$1,000 to \$50,000, but not in excess of 50% of their vested account balances. Interest is computed based on the prime rate in the Wall Street Journal on the date of the application, plus 2%. A maximum of two loans can be outstanding at any one time and each loan must be repaid over a period of from 1 to 5 years. Each loan is supported by a promissory note with the participant's account balance as collateral.

Hardship Withdrawals

The Plan allows for hardship withdrawals to pay certain housing, health or education expenses if the participant does not have other funds available for these expenses. Internal Revenue Service ("IRS") regulations require that a participant cannot make contributions to the Plan for 6 months after taking a hardship withdrawal. In addition, participants will not receive matching contributions or forfeitures for the 6 months they are ineligible to participate in the Plan.

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Note 1. Plan Description, continued

Payment of Benefits

Upon termination of service due to retirement, death, disability or other reasons, the participant or beneficiary, in the case of death, can request withdrawal of his or her account equal to the value of the vested balance in the participant account, reduced by any unpaid loan balance. If desired, a participant can leave the account balance in the Plan until the participant attains age 70 and 1/2 unless the participant's vested account balance is less than \$5,000, in which case the vested account balance would be distributed to the participant.

Plan Termination

Although it is anticipated that the Plan will remain in effect indefinitely, the Company has the right to discontinue its contributions and terminate the Plan subject to the provisions of the Employee Retirement Income Security Act of 1974. In the event of complete or partial termination of the Plan, participants become 100% vested in the employer contributions and earnings thereon. Upon termination of the Plan, all participants have equal priority in the distribution of any Plan assets in excess of Plan liabilities.

Trustees and Administration

The Company has entered into a trust agreement with Fidelity Management Trust Company (Fidelity) to handle duties as the named Trustee for the Plan. Three officers of the Company, Jerry V. Hoffman, Ralph J. Goehring and Kenneth A. Olson, are the Administrators of the Plan, and Berry Petroleum Company is the Plan Sponsor. The Administrators have the authority to delegate plan administration duties as necessary. Certain administrative expenses are paid by the Company. Fidelity, as the Trustee, receives contributions from the Plan Sponsor, invests and reinvests the Plan's assets, determines the market value of Plan assets, prepares statements and processes loans and withdrawals to beneficiaries.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

The Plan's financial statements are prepared using the accrual method of accounting in accordance with generally accepted accounting principles.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

Note 2. Summary of Significant Accounting Policies, continued

Investments

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Quoted market prices as of the valuation date are used to compute the fair value of equity securities in the Berry Stock Fund and the 14 mutual funds. The value of the Managed Income Portfolio is based on the unit price quoted by the trust, representing the fair value of the underlying investments.

In accordance with the policy of stating Plan assets at their fair value, the Plan presents the net appreciation (depreciation) in the fair value of its investments in the statement of changes in net assets, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Expenses of the Plan

The Plan's administrative expenses are paid by either the Plan or the Plan's Sponsor as provided by the Plan document.

Note 3. Tax Status

On June 7, 1988 the IRS advised the Company that the Plan meets the requirements of Section 401(a) of the Code, as restated by the Tax Reform Act of 1986, and is therefore exempt from federal income taxes under Section 501(a) of the Code. In 1994 conforming amendments, as requested by the IRS, were made to the Plan Agreement and a favorable determination letter was issued by them on December 7, 1994.

The Plan has been amended and restated since the receipt of the prior IRS determination letter of December 7, 1994. The Plan Sponsor believes the Plan is designed to be, and is currently being operated, in compliance with the applicable requirements of the Internal Revenue Code (see Note 4 below).

Note 4. Subsequent Events

Fidelity received a favorable IRS Determination Letter from the IRS for their Prototype Plan (the Prototype Plan) in November 2002. The Sponsor had a choice of conforming the Plan to Fidelity's Prototype Plan so that they could rely on Fidelity's Determination Letter, or maintaining the Plan as is and filing their own determination letter for the differences that existed. After evaluation of the required changes and the benefits that would pass on to the participants, the Administrators elected to make the required changes to the Plan so that the Plan would conform to Fidelity's Prototype Plan. On March 6, 2003, the Board of Directors approved the adoption of Fidelity's Prototype 401(k) Plan along with the changes

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required to conform Berry Petroleum Company's Plan to Fidelity's Prototype Plan. Future changes required to conform the Plan to IRS Regulations or rule changes will be implemented by Fidelity to their Prototype Plan, which has been adopted.

The changes were implemented in two steps, the Prototype Plan was adopted and implemented in June 2003 and the Berry Petroleum Company Stock fund (Berry Stock Fund) is being changed from a share accounted fund option to a mutual fund accounted option effective July 1, 2003.

After the switch to mutual fund accounting for the Berry Stock Fund, participants will be able to trade all of the investment options in the Plan on a daily basis, rather than daily for the mutual funds and the Managed Income Portfolio and only during the two monthly trading dates for Berry Stock (approximately on the 15th and 31st of each month.) This change will allow full internet access for Plan Participants, including investment transfers and loan and withdrawal requests without intervention by the Plan Administrators.

Note 5. Transactions with Parties-in-Interest

During the years ended December 31, 2002 and 2001, there were transactions involving investment of Plan assets in investment funds maintained by the Plan's trustee, a party-in-interest as defined in Section 3(14) of ERISA. One of the Plan's investment options is Berry Petroleum Company Common Stock which is purchased by the Plan's trustee in the open market.

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BERRY PETROLEUM COMPANY THRIFT PLAN
NOTES TO FINANCIAL STATEMENTS

Note 6. Investments

2002	Managed Income Portfolio	Berry Stock Fund	Fidelity Contrafund	Fidelity Equity Income I	Fidelity Puritan	Fidelity Diversified Interna- tional	Fidelity Low Priced Stock	Fidelity Growth Income
ASSETS:								
Investments, at fair value								
Net assets								
available for								
benefits								
	\$5,444,806	\$ 582,388	\$1,545,417	\$ 628,882	\$ 166,327	\$ 822,059	\$1,145,130	\$ 808,000
	=====	=====	=====	=====	=====	=====	=====	=====
	Fidelity Freedom Income	Fidelity Freedom 2000	Fidelity Freedom 2010	Fidelity Freedom 2020	Fidelity Freedom 2030	Fidelity Freedom 2040	Fidelity US Bond Index	Loan Account
	-----	-----	-----	-----	-----	-----	-----	-----

ASSETS (continued):

Investments, at fair value								
Net assets								
available for								
benefits								
	\$ 131,605	\$ 58,733	\$ 291,961	\$ 430,698	\$ 240,496	\$ 21,035	\$ 148,815	\$ 513,137

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2001	Blended Income Fund	Berry Stock Fund	Fidelity Contrafund	Fidelity Equity Income I	Fidelity Puritan	Fidelity Diversified Interna- tional	Fidelity Low Priced Stock	Fidelity Growth Income
ASSETS:								
Investments, at fair value								
Net assets available for								
benefits	\$4,746,085	\$ 489,836	\$1,744,808	\$ 751,693	\$ 216,633	\$ 859,990	\$1,119,056	\$ 932,4
	Fidelity Freedom Income	Fidelity Freedom 2000	Fidelity Freedom 2010	Fidelity Freedom 2020	Fidelity Freedom 2030	Fidelity Freedom 2040	Fidelity US Bond Index	Fidelity Loan Account
ASSETS (continued):								
Investments, at fair value								
Net assets available for								
benefits	\$ 120,749	\$ 45,492	\$ 269,016	\$ 567,384	\$ 334,218	\$ 5,594	\$ 99,209	\$ 532,097

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BERRY PETROLEUM COMPANY THRIFT PLAN
NOTES TO FINANCIAL STATEMENTS

Note 6. Investments (continued)

2002	Managed Income Portfolio	Blended Income Fund	Berry Stock Fund	Fidelity Contrafund	Fidelity Equity Income I	Fidelity Puritan	Fidelity Diversified Interna- tional	Fidelity Low Priced Stock
ADDITIONS TO NET ASSETS:								
Contributions from:								
Participants	\$ 69,594	\$ 5,073	\$ 40,094	\$ 66,483	\$ 21,226	\$ 9,324	\$ 50,384	\$ 65,
Employer	46,369	(2,258)	26,942	47,644	16,410	5,980	36,023	45,
Rollover								
contributions	4,056	-	3,664	-	-	-	-	1,
Interest and								
dividends	229,178	23,610	13,142	-	-	-	-	
Interest from								
participant								
loans	8,116	479	655	7,784	4,453	515	6,601	4,
Net appreciation								
(depreciation) in								
fair value of								
investments	-	-	46,354	(157,420)	(133,787)	(18,207)	(82,930)	(81,
Exchanges in	5,349,938	-	53,192	100,104	25,000	-	18,311	92,
Forfeiture								
activity	9,721	14,405	-	-	-	-	-	
Loan principal								
repayment	40,957	1,771	2,895	42,049	27,818	2,790	33,157	25,

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Total additions	5,757,929	43,080	186,938	106,644	(38,880)	402	61,546	153,
DEDUCTIONS:								
Administrative fees	1,000	-	-	125	769	287	19	
Forfeiture activity	-	3,818	2,272	3,089	746	-	2,135	1,
Benefits paid to participants	10,756	21,360	47,918	160,820	13,951	-	27,290	18,
Loan withdrawals	79,517	-	1,359	77,104	11,070	6,456	26,838	1,
Exchanges out	221,850	4,763,987	42,837	64,897	57,395	43,965	43,195	105,
Total deductions	313,123	4,789,165	94,386	306,035	83,931	50,708	99,477	127,
Net increase (decrease)	5,444,806	(4,746,085)	92,552	(199,391)	(122,811)	(50,306)	(37,931)	26,
Net assets available for benefits, beginning of year	-	4,746,085	489,836	1,744,808	751,693	216,633	859,990	1,119,
Net assets available for benefits, end of year	\$5,444,806	\$ -	\$ 582,388	\$1,545,417	\$ 628,882	\$ 166,327	\$ 822,059	\$1,145

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BERRY PETROLEUM COMPANY THRIFT PLAN
NOTES TO FINANCIAL STATEMENTS

Note 6. Investments (continued)

2002	Fidelity Freedom Income	Fidelity Freedom 2000	Fidelity Freedom 2010	Fidelity Freedom 2020	Fidelity Freedom 2030	Fidelity Freedom 2040	Fidelity US Bond Index	A
ADDITIONS TO NET ASSETS (continued):								
Contributions from:								
Participants	\$ 5,373	\$ 9,770	\$ 30,365	\$ 45,515	\$ 22,297	\$ 12,136	\$ 24,209	\$
Employer	6,185	4,456	15,754	31,772	17,349	5,744	14,970	
Rollover contributions	-	-	-	-	-	-	-	-
Interest and dividends	-	-	-	-	-	-	-	-
Interest from participant loans	-	-	1,247	1,581	3,161	-	1,167	
Net appreciation (depreciation) in fair value of investments	(269)	(985)	(19,735)	(84,139)	(55,017)	(2,439)	12,729	
Exchanges in	-	-	-	41,350	71	-	14,749	
Forfeiture								

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activity	-	-	-	-	-	-	-	-
Loan principal repayment	-	-	12,063	10,636	14,540	-	6,846	(2)
Total additions	11,289	13,241	39,694	46,715	2,401	15,441	74,670	(2)
DEDUCTIONS:								
Administrative fees	-	-	13	50	131	-	6	
Forfeiture activity	152	-	(549)	1,803	2,569	-	-	
Benefits paid to participants	281	-	504	13,388	9,129	-	1,477	
Loan withdrawals	-	-	16,200	477	29,426	-	2,434	(2)
Exchanges out	-	-	581	167,683	54,868	-	21,147	
Total deductions	433	-	16,749	183,401	96,123	-	25,064	(2)
Net increase (decrease)	10,856	13,241	22,945	(136,686)	(93,722)	15,441	49,606	(
Net assets available for benefits, beginning of year	120,749	45,492	269,016	567,384	334,218	5,594	99,209	5
Net assets available for benefits, end of year	\$ 131,605	\$ 58,733	\$ 291,961	\$ 430,698	\$ 240,496	\$ 21,035	\$ 148,815	\$ 5

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BERRY PETROLEUM COMPANY THRIFT PLAN
NOTES TO FINANCIAL STATEMENTS

Note 6. Investments (continued)

2001	Blended Income Fund	Berry Stock Fund	Fidelity Contrafund	Fidelity Equity Income I	Fidelity Puritan	Fidelity Diversified Interna- tional	Fidelity Low Priced Stock	Fide Grow Inc
ADDITIONS TO NET ASSETS:								
Contributions from:								
Participants	\$ 61,089	\$ 22,961	\$ 75,890	\$ 23,044	\$ 10,657	\$ 54,833	\$ 41,556	\$ 50
Employer	27,586	19,816	63,278	20,431	8,448	43,060	32,558	39
Interest and dividends	262,311	14,401	8,929	28,491	11,099	446	62,724	18
Interest from participant loans	5,186	413	9,881	4,989	548	7,692	5,389	5
Net appreciation (depreciation) in fair value of investments	-	93,682	(257,232)	(66,579)	(12,725)	(129,169)	153,272	(104
Exchanges in Forfeiture	357,412	94,753	41,522	31,000	-	21,887	179,901	10

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activity	8,566	-	-	-	-	-	-	-
Loan principal repayment	31,837	1,247	34,987	16,240	2,512	24,690	14,783	21
Total additions	753,987	247,273	(22,745)	57,616	20,539	23,439	490,183	39
DEDUCTIONS:								
Administrative fees	817	-	50	737	275	19	585	
Forfeiture activity	-	939	2,361	-	-	-	548	2
Benefits paid to participants	549,875	7,523	185,127	101,802	66,261	13,074	107,266	3
Loan withdrawals	64,924	-	54,322	20,955	3,447	28,933	3,878	3
Exchanges out	234,682	192,073	152,385	27,470	2,240	81,773	3,504	21
Total deductions	850,298	200,535	394,245	150,964	72,223	123,799	115,781	31
Net increase (decrease)	(96,311)	46,738	(416,990)	(93,348)	(51,684)	(100,360)	374,402	7
Net assets available for benefits, beginning of year	4,842,396	443,098	2,161,798	845,041	268,317	960,350	744,654	924
Net assets available for benefits, end of year	\$4,746,085	\$ 489,836	\$1,744,808	\$ 751,693	\$ 216,633	\$ 859,990	\$1,119,056	\$ 932

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BERRY PETROLEUM COMPANY THRIFT PLAN
NOTES TO FINANCIAL STATEMENTS

Note 6. Investments (continued)

	Fidelity Freedom Income	Fidelity Freedom 2000	Fidelity Freedom 2010	Fidelity Freedom 2020	Fidelity Freedom 2030	Fidelity Freedom 2040	Fidelity US Bond Index	A
ADDITIONS TO NET ASSETS (continued):								
Contributions from:								
Participants	\$ 4,459	\$ 6,801	\$ 26,859	\$ 45,927	\$ 32,136	\$ 3,269	\$ 14,221	\$
Employer	5,630	2,484	14,837	34,645	26,189	2,201	9,202	
Interest and dividends	4,638	1,079	11,811	28,639	15,412	53	4,733	
Interest from participant loans	-	-	839	2,114	4,245	-	332	
Net appreciation (depreciation) in fair value of investments	(2,169)	(1,658)	(18,869)	(81,323)	(55,392)	71	1,097	
Exchanges in	24,470	-	83,367	14,115	24,540	-	25,000	
Forfeiture activity	-	-	-	-	-	-	-	
Loan principal								

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repayment	-	-	2,389	8,483	23,953	-	1,288	(2)
Total additions	37,028	8,706	121,233	52,600	71,083	5,594	55,873	(2)
DEDUCTIONS:								
Administrative fees	-	-	-	119	188	-	-	-
Forfeiture activity	-	-	821	-	649	-	-	-
Benefits paid to participants	-	-	876	9	389	-	12	(2)
Loan withdrawals	-	-	-	9,309	23,288	-	-	(2)
Exchanges out	20,137	15,694	42,566	56,491	48,126	-	-	-
Total deductions	20,137	15,694	44,263	65,928	72,640	-	12	(1)
Net increase (decrease)	16,891	(6,988)	76,970	(13,328)	(1,557)	5,594	55,861	(1)
Net assets available for benefits, beginning of year	103,858	52,480	192,046	580,712	335,775	-	43,348	5
Net assets available for benefits, end of year	\$ 120,749	\$ 45,492	\$ 269,016	\$ 567,384	\$ 334,218	\$ 5,594	\$ 99,209	\$ 5

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BERRY PETROLEUM COMPANY THRIFT PLAN
Schedule H, Line 4i Schedule of Assets (Held at End of Year)
December 31, 2002

Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Current Value
* Berry Petroleum Company (\$.01 par value) (33,129 shares)	Berry Stock Account - Class A Common Stock	\$ 582,388
*Fidelity Managed Income Portfolio	Common Collective Trust	5,444,806
*Fidelity Contrafund	Mutual Fund	1,545,417
*Fidelity Diversified International	Mutual Fund	822,059
*Fidelity Growth & Income	Mutual Fund	808,021

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*Fidelity Equity Income I	Mutual Fund	628,882
*Spartan US Equity Index	Mutual Fund	767,638
*Fidelity Low Priced Stock	Mutual Fund	1,145,130
*Fidelity Puritan	Mutual Fund	166,327
*Fidelity Freedom Income	Mutual Fund	131,605
*Fidelity Freedom 2000	Mutual Fund	58,733
*Fidelity Freedom 2010	Mutual Fund	291,961
*Fidelity Freedom 2020	Mutual Fund	430,698
*Fidelity Freedom 2030	Mutual Fund	240,496
*Fidelity Freedom 2040	Mutual Fund	21,035
*Fidelity US Bond Index	Mutual Fund	148,815

Total Investments		\$ 13,234,011
		=====
*Participant loans	Interest bearing loans	\$ 513,137
	at prime rate plus 2%;	=====
	interest rates on outstanding	
	loans range from 6.25% to 11.5%.	

* Party in interest

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

BERRY PETROLEUM COMPANY THRIFT PLAN

By /s/ Jerry V. Hoffman
 Name: Jerry V. Hoffman
 Title: Member of 401(k) Administrative Committee

By /s/ Ralph J. Goehring
 Name: Ralph J. Goehring
 Title: Member of 401(k) Administrative Committee

By /s/ Kenneth A. Olson
 Name: Kenneth A. Olson
 Title: Member of 401(k) Administrative Committee

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September 30, 2003

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