

Jarvis David R
 Form 4
 January 23, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Jarvis David R

2. Issuer Name and Ticker or Trading Symbol
 BARNWELL INDUSTRIES INC
 [BRN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)

____ Director
 ____ Officer (give title below)
 10% Owner
 ____ Other (specify below)

C/O MERCURY REAL ESTATE ADVISORS LLC, 100 FIELD POINT ROAD

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 ____ Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(Street)

GREENWICH, CT 06830

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Equity Swap (obligation to buy) ⁽¹⁾ ₍₂₎	\$ 67.4225	07/29/2005		J/K ⁽¹⁾⁽²⁾	1			07/29/2005	05/24/2007	Common Stock	400
Equity Swap (obligation to buy) ⁽³⁾	\$ 67.4225	07/29/2005		J/K ⁽¹⁾⁽²⁾	1			07/29/2005	05/24/2007	Common Stock	400
Equity Swap (obligation to buy) ⁽⁴⁾	\$ 67.4225	07/29/2005		J/K ⁽¹⁾⁽²⁾	1			07/29/2005	05/24/2007	Common Stock	400
Equity Swap (obligation to buy) ⁽⁵⁾	\$ 67.588	07/29/2005		J/K ⁽⁵⁾	1			07/29/2005	05/24/2007	Common Stock	2,000
Equity Swap (obligation to buy) ⁽³⁾	\$ 67.588	07/29/2005		J/K ⁽⁵⁾	1			07/29/2005	05/24/2007	Common Stock	2,000
Equity Swap (obligation to buy) ⁽⁴⁾	\$ 67.588	07/29/2005		J/K ⁽⁵⁾	1			07/29/2005	05/24/2007	Common Stock	2,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Jarvis David R C/O MERCURY REAL ESTATE ADVISORS LLC			X	

100 FIELD POINT ROAD
GREENWICH, CT 06830

MacLean Malcolm F IV
C/O MERCURY REAL ESTATE ADVISORS LLC
100 FIELD POINT ROAD
GREENWICH, CT 06830

X

Mercury Real Estate Securities Offshore Fund, Ltd.
C/O MERCURY REAL ESTATE ADVISORS LLC
100 FIELD POINT ROAD
GREENWICH, CT 06830

X

Signatures

/s/ David R. Jarvis 01/20/2006
 **Signature of Reporting Person Date

/s/ Malcolm F. MacLean IV 01/20/2006
 **Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) On July 29, 2005, Mercury Real Estate Advisors, LLC ("Advisors"), a registered investment adviser, entered into a cash settled equity swap agreement with a securities broker ("Broker") on behalf of Mercury Real Estate Securities Offshore Fund, Ltd. ("MRESOF"), for which Advisors serves as the investment adviser. Mr. David R. Jarvis and Mr. Malcolm F. MacLean IV are managing members of Advisors. The settlement date of the swap agreement is May 24, 2007. (Continued in Footnote 2)
- On such date, MRESOF or Broker, as applicable, will be required to make a payment to the other such that the resulting economic effect of the swap arrangement will be as if (i) MRESOF paid Broker \$26,969.00, representing \$67.4225 for each share of BRN common stock subject to this agreement as of July 29, 2005, and (ii) Broker paid to MRESOF the market value of 400 shares of BRN common stock as of May 24, 2007. Any dividends received by Broker on account of the common stock subject to this agreement will be paid to MRESOF and MRESOF will pay to Broker a finance charge.
- (3) This swap arrangement was entered into by Advisors on behalf of MRESOF. Mr. Jarvis disclaims beneficial ownership of the securities held directly by MRESOF except to the extent of the pecuniary interest, if any, in such securities as a result of his membership interest in Advisors, which has a contingent right to receive a performance-based advisory fee from MRESOF. That performance-based fee generally qualifies for the exemption set forth in Rule 16a-1(a)(2)(ii)(C).
- (4) This swap arrangement was entered into by Advisors on behalf of MRESOF. Mr. MacLean disclaims beneficial ownership of the securities held directly by MRESOF except to the extent of the pecuniary interest, if any, in such securities as a result of his membership interest in Advisors, which has a contingent right to receive a performance-based advisory fee from MRESOF. That performance-based fee generally qualifies for the exemption set forth in Rule 16a-1(a)(2)(ii)(C).
- (5) On July 29, 2005, Advisors entered into a cash settled equity swap agreement with a Broker on behalf of MRESOF. The settlement date of the swap agreement is May 24, 2007. On such date, MRESOF or Broker, as applicable, will be required to make a payment to the other such that the resulting economic effect of the swap arrangement will be as if (i) MRESOF paid Broker \$135,176, representing \$67.588 for each share of BRN common stock subject to this agreement as of July 29, 2005, and (ii) Broker paid to MRESOF the market value of 2,000 shares of BRN common stock as of May 24, 2007. Any dividends received by Broker on account of the common stock subject to this agreement will be paid to MRESOF and MRESOF will pay to Broker a finance charge.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.