

**ASSUMPTION OF CONTRA COSTA COUNTY PIPELINE FRANCHISES
AND COUNTY CONSENT TO TRANSFER
(VENOCO, INC. – VINTAGE PRODUCTION CALIFORNIA LLC)**

This Assumption of Contra Costa County Pipeline Franchises and County Consent to Transfer (Venoco, Inc. – Vintage Production California LLC) (this “Assumption and Consent Agreement”) is entered into on March 12, 2013, and is by and among Venoco, Inc., (successor by merger to Venoco LLC) a Delaware corporation (“Transferor”), Vintage Production California LLC, a Delaware limited liability company (“Transferee”), and the County of Contra Costa, a political subdivision of the State of California (“County”).

RECITALS

A. On October 5, 1993, the County granted a pipeline franchise to Chevron USA, Inc. (“Chevron”) per County Resolution No. 93/588 (the “93/588 Franchise”), pursuant to the provisions of County Ordinance Code No. 1827 (as amended by County Ordinance Nos. 79-50 and 92-64, the “County Franchise Ordinance”) to operate a dry natural gas pipeline and a steel condensate gas pipeline within the County for a term of 20 years; and,

B. On December 14, 1993, the County granted a pipeline franchise to Tosco Refining Company (“Tosco”) per County Resolution 93/737 (the “93/737 Franchise”), pursuant to the provisions of the County Franchise Ordinance to operate natural gas pipelines within the County for a term of 20 years; and,

C. On June 24, 1997, the County granted a pipeline franchise to Union Oil Company of California (“Unocal”) per County Resolution No. 97/330 (the “97/330 Franchise”, and together with the 93/588 Franchise and the 93/737 Franchise, the “Franchises”), pursuant to the provisions of the County Franchise Ordinance, to operate a 6” products pipeline and a 12” natural gas pipeline within the County for a term of 20 years; and,

D. Subsequent to the grant of 97/330 Franchise, Unocal sold the pipelines subject to the 97/330 Franchise to Tosco, and on October 28, 1997, the County consented to the transfer of 97/330 Franchise to Tosco pursuant to County Resolution 97/576; and,

E. In September 2001, Tosco was merged into Phillips Petroleum Company (which became ConocoPhillips Company in 2002), and ConocoPhillips Company acquired all of the assets of Tosco, including the rights in, to, and under the 97/330 Franchise; and

F. Effective December 13, 2005, ConocoPhillips Company transferred certain of its assets to Transferor, including its rights in the 12” natural gas pipeline subject to the 97/330 Franchise, and in the 8” natural gas pipeline running along Port Chicago Highway subject to the 93/737 Franchise, pursuant to an Assignment and Assumption Agreement, dated as of December 13, 2005; and

G. Subsequent to the grant of the 93/588 Franchise, Chevron sold the pipelines subject to the 93/588 Franchise to Transferor, and assigned its interest in the 93/588 Franchise to Transferor pursuant to an Assignment of Agreements, dated September 1, 1998, between

Chevron and Transferor, and on February 2, 1999, the County consented to the transfer of the 93/588 Franchise to Transferor pursuant to County Resolution 99/54; and,

H. Transferor has filed written applications with County, dated December 20, 2012 wherein it has requested the consent of County to the transfer and assignment of certain pipelines subject to the Franchises to Transferee; and,

I. It is the intent of County to approve the transaction whereby ownership and control of the interests in the Franchises shall be held by Transferee (the transfer of the interests in the Franchises being referred to herein as the "Transfer"); and,

J. County has reviewed the documents effecting the Transfer between Transferor and Transferee, staff reports and recommendation; and,

K. Based upon the evidence presented to the County, it has determined that it would be in the public interest to conditionally approve the Transfer.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed by and between the parties as follows:

AGREEMENT

1. By executing this Assumption and Consent Agreement, Transferee hereby accepts all the terms and conditions of the Franchises, the County Franchise Ordinance, and any orders and directives of any administrative agency relating to the Franchises including, but not limited to this Assumption and Consent Agreement, and represents and warrants that it has examined the requirements of the Franchises, the County Franchise Ordinance, and this Assumption and Consent Agreement, as well as applicable federal, state or local laws or regulations and agrees to abide by all the terms and conditions thereof.

2. Transferee agrees and acknowledges that the County Franchise Ordinance, the Franchises, and the other documents specified herein are legally sufficient, enforceable, valid, and binding on it, and accepts the same without condition or reservation. Transferee accepts the Franchises and all obligations thereof, subject to and assuming liability for all existing disclosed and undisclosed breaches and defaults. Transferee agrees to cooperate and furnish relevant information in relation thereto. Transferor agrees to cooperate and furnish relevant information in relation to any audit and/or investigation relative to breaches and/or defaults accruing prior to the Transfer.

3. To the extent that Transferee, or any related person or entity, challenges the validity or interpretation of any of the above-listed documents in the future in any administrative proceeding or court of law, such a challenge shall be subject to all defenses which would have been available to County had Transferor, or any related person or entity, brought any such challenge, including, but not limited to, waiver, estoppel, consent, unclean hands and accord and satisfaction, as well as any and all defenses independently available to Transferee.

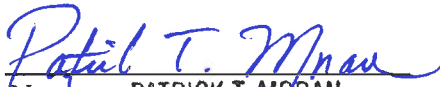
4. Any violation of this Assumption and Consent Agreement shall be deemed to be a violation of the County Franchise Ordinance and the Franchises.

5. This Assumption and Consent Agreement will not be effective until (a) it has been executed by Transferor and Transferee and delivered to County, and (b) the existing bonds for each of the Franchises have been reissued or have a rider attached thereto naming Transferee as the new principal and have been delivered and approved by County.

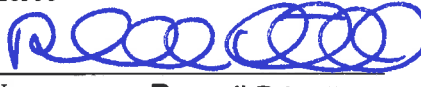
6. The County hereby gives its consent and approval to the Transfer whereby each of the interests in the Franchises, including the assets subject thereto, shall be directly acquired and held by Transferee.

7. The granting of this consent to the Transfer does not waive the right of County to approve any subsequent change in the ownership of the Franchises or the ownership or control of Transferee and there shall be no further material change, amendment or modification of the ownership or equity composition of Transferee, which requires prior consent of County pursuant to the County Franchise Ordinance without the further written consent of the County.

Venoco, Inc., a Delaware corporation, as
Transferor

By: 
Name: PATRICK T. MORAN
Title: ITS ATTORNEY-IN-FACT

Vintage Production California LLC, a
Delaware limited liability company, as
Transferee

By: 
Name: Russell P. Ledbetter
Title: Attorney-In-Fact


Consented to by:

COUNTY OF CONTRA COSTA

By: _____
Name: _____
Title: _____

Approved as to Form:

Sharon L. Anderson, County Counsel

By: 
Name: Eric Gelsman
Title: Deputy County Counsel

The signatures of Transferor and Transferee must be notarized.

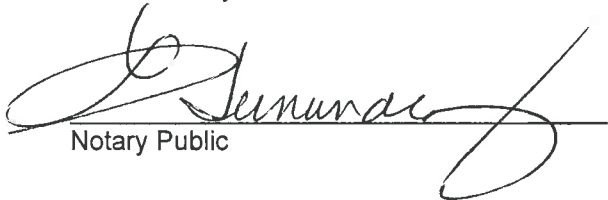
ACKNOWLEDGMENT

STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA BARBARA)

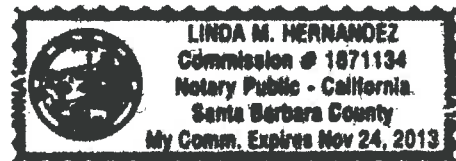
On March 1, 2013, before me, Linda Hernandez, a notary public, personally appeared Patrick T. Moran proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.


Notary Public

(Seal)



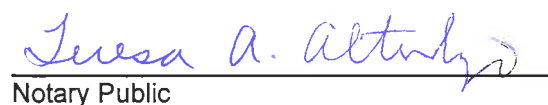
ACKNOWLEDGMENT

STATE OF California)
) ss.
COUNTY OF Kern)

On March 4, 2013, before me, Teresa A. Altenburger, a notary public, personally appeared Russell P. Ledbetter, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.


Notary Public

(Seal)

