

World's 5th: Brazil's Pre-Salt Oil Might Top 100 Billion Barrels

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Pre-salt oil reserves from Brazil, which are already under concession, could reach as much as 80 billion barrels of oil equivalent, said the head of Brazil's National Petroleum Agency (ANP), Haroldo Lima, on Friday, November 7.

"Recently, prognosis indicates at least 50 billion boe and a maximum... of 70, 80 billion barrels," he told reporters, adding that this would include only licensed blocks.

Asked if reserves could surpass 100 billion boe if unlicensed areas were included, he said: "Yes, they could."

"Dimensions are so big that we still don't have a good vision of what this means to Brazil," he added.

By comparison, Kuwait's reserves are 99 billion barrels; United Arab Emirates, 97 billion; Venezuela, 80 billion and Russia, 60 billion. Only Iraq (115 billion barrels), Iran (136 billion), Canada (179 billion) and Saudi Arabia (260 billion) have larger known reserves of oil.

Brazil's current proven reserves stand at 14.4 billion barrels of oil equivalent if natural gas is included, according to a statistical review produced by British Petroleum.

The pre-salt oilfields are trapped beneath a layer of salt under about 7,000 meters of sea water and rock and are among the most inaccessible on earth. The geological formation of which they are part is about 800km long and 200km wide, running up the southern Brazilian coast from the Santos Basin, about 200km offshore.

The deposits were discovered in 2007 and since then the government has suspended its annual auctions of concessions of geographical blocks, in which oil companies accept exploratory risk in return for rights over any oil and gas they may discover.

However ten concessions in the Santos Basin had been sold before the government realized the potential of the new fields.

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