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## **Unlocking the Potential in Brazil: Some Prospectives on New Plays**

In 1998, Brazil passed a new hydrocarbon law ending the federal monopoly for Oil and Gas. Since then we have had three bid rounds, and are getting closer to the closing of the fourth. In addition, select companies joined Petrobras on the Round zero blocks. This led to unprecedented Exploration activity, with over 22 seismic boats operating in one year and over 60 wells being drilled or participated in by IOC's in 2 years. Still, so far, with the exception of Petrobras, BC 600, BS 500 and BCAM 40, Bseal 100, the results have been very disappointing and somewhat reminiscent of the Risk Period of the late 70's and early 80's, when industry spent \$1.6 Billion and found only Merluza (300 BCF) and some small onshore Potiguar fields (Redondo and NMR).

Moving away from the main Producing area, perhaps one of the most remote yet promising is the northern Equatorial margin. While the shelf was drilled extensively during the past resulting in numerous oil shows and some fields in the Potiguar and Ceara basins, the deepwater remains untested. Still the area is home to some well documented Tertiary - Cretaceous feeder systems and turbidites. One such key high potential area is the Para Maranhao where large toe compressional folds and toe thrusts exist.

Phillips has taken a position in both the Southern Espirito Santo play and the Para-Maranhao play. We hope that in the near future we will be returning to the podium to share with you positive results.