

Brazil lawmaker says 'no chance' of oil moratorium

Brazil's state-controlled Petrobras does not run a risk that the government will impose a moratorium on deep-water drilling after the BP oil spill in the Gulf of Mexico, a lawmaker said.

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Brazilian lawmakers have no plans to take similar steps to a US drilling ban as they debate a bill that will make Petrobras the operator of all new oil projects in the pre-salt area, said Carlos Brizola, a Brazilian lower-house representative.

"There's no chance of this in Brazil," Brizola, who led a committee in the lower house to set up a new regulator for deep-water projects, said in an interview in Rio de Janeiro today, Bloomberg reported.

"Petrobras has consolidated its know-how and technology, no company can offer better safety than Petrobras," Brizola said.

Petrobras made the largest discovery in the Americas since 1976 in deep waters off Brazil's coast.

Senators this week will start debating legislation to make the company the sole operator of new fields sitting below a layer of salt in deep waters of the Atlantic Ocean, Brizola said.

Petrobras plans to more than double oil production to 5.7 million barrels per day by 2020.

US President Barack Obama extended a deep-water drilling ban on 27 May and halted work on 33 exploratory wells while the government investigates the worst spill in US history.

The spill has dumped as much as 19,000 bpd into the Gulf, according to US government scientists, after the 20 April explosion killed 11 workers and sank a \$365 million rig.

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