

# Equatorial Margin

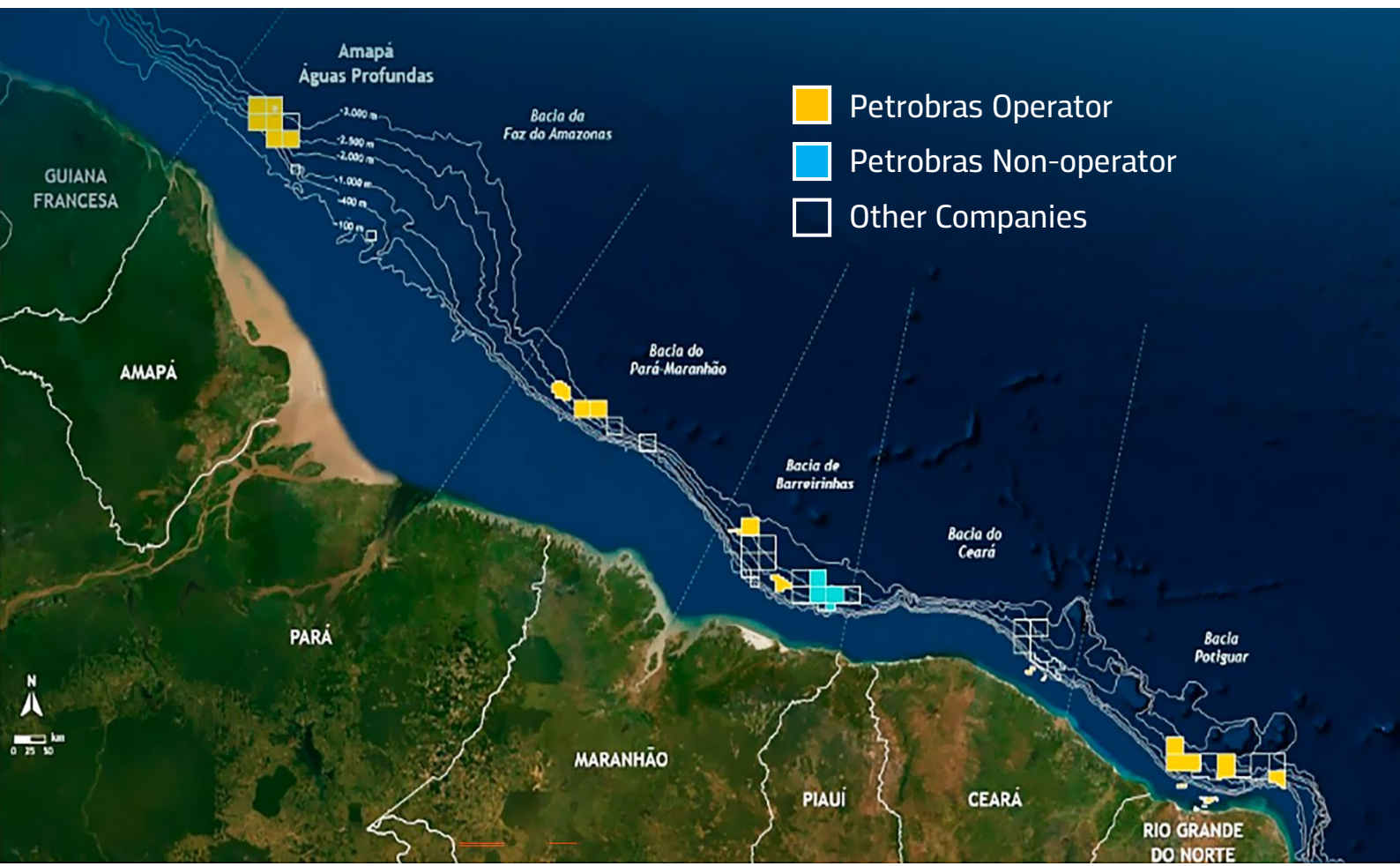
## What is it?

The Equatorial Margin is **Brazil's latest maritime frontier for oil and gas exploration**. This Brazilian region, which is being referred to as the "**new pre-salt**", may have great potential for new discoveries, such as the exploration success stories achieved in the sedimentary basins of Guyana and Suriname.

## Map of the Region

The region spreads over **more than 2200 km** and is located **between the extreme north of Amapá and the coast of Rio Grande do Norte**. It is also comprised of 5 sedimentary basins: Foz do Amazonas, Para-Maranhão, Barreirinhas, Ceará, and Potiguar.

Source: <https://petrobras.com.br/fatos-e-dados/saiba-mais-sobre-a-margem-equatorial-importante-fronteira-offshore-do-brasil.htm>





Source: <https://epbr.com.br/petrobras-preve-iniciar-perfuracao-na-margem-equatorial-em-novembro/>

## Estimated reservoir potential in the Equatorial Margin:

According to estimates made by the National Agency of Petroleum, Natural Gas and Biofuels, the volume of O&G resources is approximately **30 billion barrels of oil equivalent**.

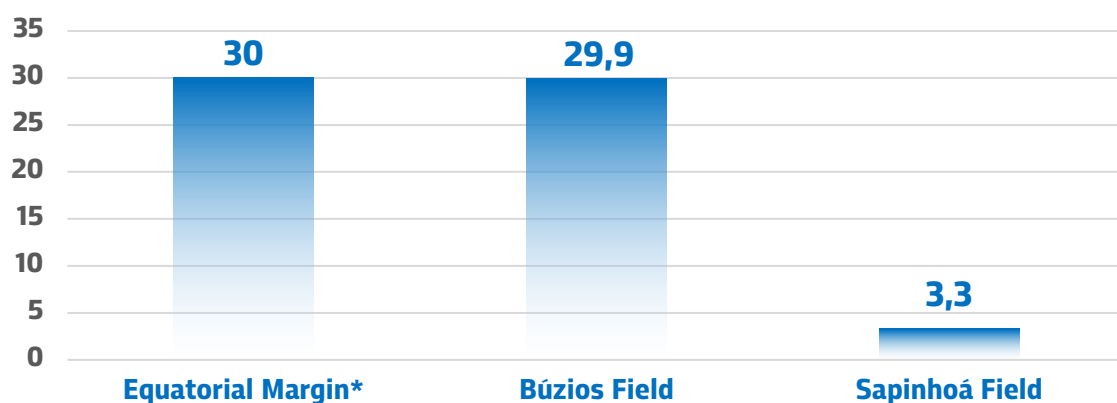
Source: ANP<sup>1</sup>.

### Production potential

Estimated volume "in situ" equivalent to that of large production areas

#### Oil volume – in billions of barrels

Source: ANP \*Estimate



<sup>1</sup> <https://valor.globo.com/empresas/noticia/2022/12/21/o-que-e-margem-equatorial-veja-10-perguntas-e-respostas-sobre-a-nova-aposta-da-petrobras.ghtml>

# Exploration activities history in the Equatorial Margin

The first drilling operations in the Equatorial Margin were carried out in the 1970s, but no major discoveries were made that could validate commercial production. To date, most of the exploratory activities have taken place in shallow waters, but there is an expectation of great potential in deeper regions.

**Most of the exploration blocks granted in the region are the result of the National Petroleum, Natural Gas and Biofuels Agency's 11th Bid Round auction (ANP).**

**The last wells were drilled in the region years ago. Drilling took place in shallow waters:**

Basin	Date of the last well drilled
Foz do Amazonas	2010
Pará-Maranhão	2011
Barreirinhas	2011
Ceará	2011
Potiguar	2015

Source: ANP

## Potential expansion of oil production in the region until 2029

Oil exploration in the Brazilian Equatorial Margin has the potential to add 1.106 million barrels per day (bpd) to the national production curve from 2029 onwards.

Source: CBIE, 2022<sup>2</sup>.

<sup>2</sup> <https://economia.uol.com.br/noticias/reuters/2023/03/28/margem-equatorial-poderia-produzir-11-mi-bpd-de-petroleo-a-partir-de-2029-diz-cbie.htm?cmpid=copiaecola>



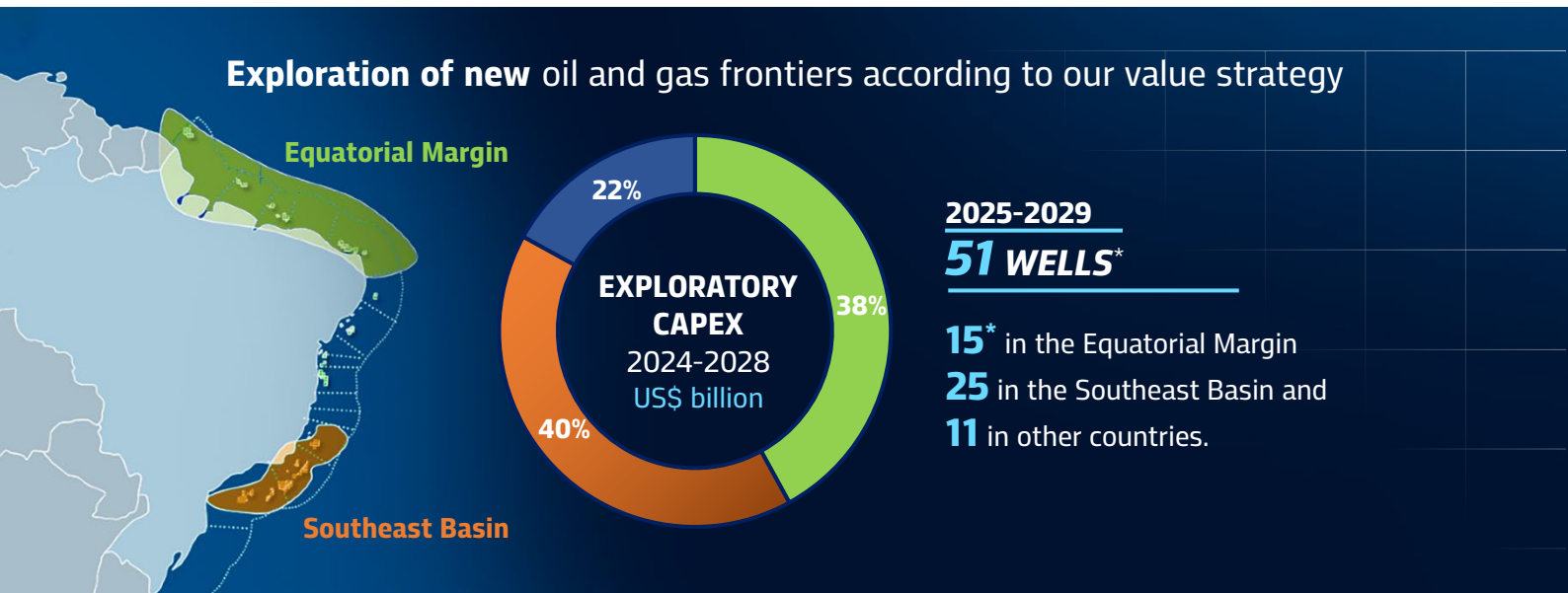


# The Equatorial Margin in Petrobras' 2025-2029 business plan:

Total operating investments until **2029: US\$ 7.9 billion.**

Investments foreseen in the exploration of the Equatorial Margin until **2029: US\$ 3 billion (38%).**

Source: Petrobras, 2025<sup>3</sup>.



## How many exploratory wells does Petrobras intend to drill in the region?

Number of exploratory wells foreseen in Petrobras' business plan (2025-2029): **51<sup>4</sup>.**

Number of exploratory wells to be drilled by Petrobras on the equatorial margin during the period 2025-2029: **15 (29% of the total between 2025-2029)<sup>5</sup>.**



### First Basins to be explored:

**Foz do Amazonas and Pará-Maranhão**  
(starting in 2026<sup>3</sup>)

The first well, which is being used to investigate the potential of this new frontier, **is located more than 160 km from the nearest point on the coast and more than 500 km from the mouth of the Amazon River.** In addition to the distance on the surface, the drilling of the first well is expected to take place at a depth of around 2,880m<sup>7</sup>.

<sup>3</sup> <https://tnpetroleo.com.br/noticia/margem-equatorial-ira-receber-investimentos-de-us-29-bilhoes-nos-proximos-5-anos/>



# Equatorial Margin **Stay Tuned**

## **What is the importance of the Equatorial Margin for the Brazilian oil and gas sector?**

The production of oil and gas resources in the Equatorial Margin will be strategic for the Brazilian market, as the potential volumes will be key for sustaining and expanding O&G production in the country from the 2030s onwards, when a natural decline of pre-salt output, currently the country's main oil and gas production frontier, is expected.

According to calculations made by the Brazilian Infrastructure Center (CBIE), exploration in the region would add up to 1.1 million barrels per day, with peak production in 2029. This volume could correspond to 1/3 of the country's current total production.

## **What are the benefits of developing oil and gas activity in the Equatorial Margin?**

Developing seismic activities and subsequent production in the area will bring significant social and economic benefits to the country, especially to the northern region. Oil and gas production will attract investments to the region, reflecting in new jobs and increased income generation, providing new dynamism to the regional economy.

In addition, with the development of the oil and gas market in the Equatorial Margin, states and municipalities will benefit from receiving royalties, special participation taxes, and general taxes paid by the production chain, allowing these resources to be invested in public services to improve the quality of life of the population.

## **Exploration in the Equatorial Margin will attract even more investments, strengthening the Brazilian economy.**

It is important to remember that the oil and gas industry accounts for around:



**17%**  
of the  
industrial GDP



**US\$ 173 billion** in investments  
over the next  
decade



with an estimated generation of over  
**344 thousand jobs**  
either direct or indirect, per year, over the next decade

## **Is it safe to extract oil from the Equatorial Margin?**

The Brazilian oil and gas industry operates to the highest safety standards, always acting preventively to identify risks and mitigate any potential environmental impacts. Petrobras alone, which intends to produce in the region, has already drilled more than a thousand wells in deep or ultra-deep waters off the Brazilian coast, without any environmental damage.

All the oil and gas companies operating in Brazil are committed to carrying out their exploration activities under the highest standards of safety and respect for the environment.

Every day, 3.4 million barrels of oil are produced in Brazil in various regions of the country with total safety and without harming the environment.

## **Will there be any impacts on the local communities at Foz do Amazonas?**

First, it is important to clarify that the current stage is that of applying for a permit to carry out tests to identify the existence or not of oil and gas in the region. Based on these analyses, the next step will be to determine whether the activity on the Equatorial Margin is economically viable.

The exploratory well to be drilled in the initial tests is located offshore, 500 kilometers from the mouth of the Amazon, equivalent to the distance between Rio de Janeiro and São Paulo.

In addition, the exploration of the first well will be a temporary job, expected to last only five months. After this period, assessments will be made to decide on the viability and continuity of operations.

The oil and gas sector emphasizes that the operation of drilling wells in the exploratory phase is safe and carried out following all the technical and safety requirements set by the regulatory, inspecting, and environmental authorities.

## **How much should be invested in the Equatorial Margin?**

Petrobras, which owns blocks in the region, announced plans to invest US\$ 3 billion in the Equatorial Margin between 2025 and 2029, which accounts for 38% of the company's total investment in oil and gas exploration and production for the period.

## **Why do companies want to invest in the Equatorial Margin?**

The discovery of new exploratory frontiers is necessary to replenish pre-salt reserves, which will be in decline over the next decade. In addition, the success of exploratory activities with vast oil reserves in Guyana reinforces the potential of the Equatorial Margin, since this region has the same geological formation.

Another important point is that, for the energy transition process to proceed at the pace desired by all, oil and gas production must continue to develop. Demand for oil, natural gas and fuels will continue to grow in the coming years, and the oil industry needs to ensure energy security and the supply of products while the transition progresses gradually.

## **Why are oil companies unable to obtain a permit to operate in the region?**

Technical requirements are necessary in any activity involving the exploration of natural resources. We believe that all the players involved are working towards offering the most committed licensing process in line with economic, social and environmental concerns.

In the licensing process for seismic activity and drilling at Foz do Amazonas, Petrobras has responded to all of Ibama's demands, as the press has reported. (Sugestão: ver se tem outra fonte que não a imprensa.

# Expedient

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