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Vale and Petrobras sign memorandum of understanding for natural gas exploration

Vale and Petrobras today (25 June) signed a memorandum of understanding laying the foundations for a partnership in natural gas and petroleum exploration and production in blocks ES-M-466, ES-M-468 and ES-M-527, all located in the BM-ES-22 concession area off the north coast of Espírito Santo State.

According to the memorandum, signed by Vale's CEO, Roger Agnelli, and the president of Petrobras, José Sérgio Gabrielli, Vale will be able to acquire 25% of the area's exploration rights. Proceeding with the partnership will require approval from Brazil's National Petroleum, Natural Gas and Biofuels Agency (ANP).

The blocks, which were acquired by Petrobras in the ANP's sixth bidding round, feature water depths of between 1,000 and 2,000 meters, and contain exploration prospects in the post-salt section.

The signing of the memorandum is another step forward in the process of strengthening relations between Brazil's two biggest companies, contributing to the country's economic development. This new joint project in the BM-ES-22 concession area builds on partnerships already forged in another 22 exploration blocks, located in areas of high proven potential (Espírito Santo and Santos basins), offshore exploration frontiers (Pará-Maranhão Basin), and onshore (Parnaíba Basin).

Vale's current portfolio is composed of 26 blocks, grouped into 14 offshore concession areas (seven in Santos Basin, three in Espírito Santo Basin, and four in Pará-Maranhão Basin), and two onshore concession areas in Parnaíba Basin. (See the accompanying table and map).

Exploring for energy sources such as natural gas is a part of Vale's strategic objective to diversify and optimize its energy supply in order to reduce costs and mitigate risks. Accordingly, Vale has been working to identify new deposits in Brazil by holding stakes in consortia that are exploring for natural gas in Brazilian sedimentary basins.

More information



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