

PETROBRAS - PETROLEO BRASILEIRO SA

Form 6-K

September 03, 2008

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934

For the month of September, 2008

Commission File Number 1-15106

PETRÓLEO BRASILEIRO S.A. - PETROBRAS

(Exact name of registrant as specified in its charter)

Brazilian Petroleum Corporation - PETROBRAS

(Translation of Registrant's name into English)

Avenida República do Chile, 65

20031-912 - Rio de Janeiro, RJ

Federative Republic of Brazil

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

Production startup in the Pre-Salt Layer

(Rio de Janeiro September 1, 2008). PETRÓLEO BRASILEIRO S/A - PETROBRAS, [Bovespa: PETR3/PETR4, NYSE: PBR/PBRA, Latibex: XPBR/XPBRA, BCBA: APBR/APBRA], a Brazilian international energy company, announces that it kicked-off the production of the first oil in the pre-salt layer, in the Jubarte field, in the Campos Basin, off the southern coast of Espírito Santo State today. The first well's production potential is 18,000 barrels/day, and the main purpose of developing it is to obtain knowledge that will help the Company develop the pre-salt reserves located in Espírito Santo and in other places off the Brazilian coast.

The characteristics of the light pre-salt oil (30° API) required investments of nearly \$50 million in adapting the platform's process plant, in the completion of well 1-ESS-103A, and in interconnecting the well to FPSO JK (P-34). Production begins with Long Duration Test (LDT) to observe how pre-salt oil behaves, both in the reservoir and in the platform's process plant. The LDT is expected to last six months to a year.

FPSO JK (P-34) has been producing oil in the Jubarte field since December 2006, in a reservoir located above the salt layer. The fact this platform is only 2.5 km away from the 1-ESS-103A exploratory well, which discovered the oil in the pre-salt, below the Jubarte Field, 1,375 meters below the water line, allowed production in the pre-salt layer in Espírito Santo to be anticipated.

In the past couple of years, Petrobras invested approximately R\$1.7 billion in drilling 15 wells that reached the pre-salt layers. Eight of them have already been tested and show the presence of high commercial value light oil and of a large amount of associated natural gas. They have not been declared commercial yet, as they are still under assessment.

www.petrobras.com.br/ri/english

Contacts: PETRÓLEO BRASILEIRO S. A. - PETROBRAS

Investor Relations Department | E-mail: petroinvest@petrobras.com.br / acionistas@petrobras.com.br
Av. República do Chile, 65 - 29th floor - 20031-912 - Rio de Janeiro, RJ | Tel.: 55 (21) 3224-1510 / 9947

This document may contain forecasts that merely reflect the expectations of the Company's management. Such terms as anticipate, believe, expect, forecast, intend, plan, project, seek, should, along with similar or analogous expressions, are used to identify such forecasts. These predictions evidently involve risks and uncertainties, whether foreseen or not by the Company. Therefore, the future results of operations may differ from current expectations, and readers must not base their expectations exclusively on the information presented herein.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: September 02, 2008

PETRÓLEO BRASILEIRO S.A--PETROBRAS

By: /s/ Almir Guilherme Barbassa

Almir Guilherme Barbassa
Chief Financial Officer and
Investor Relations Officer

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.
