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## **OVL expects jump in oil output from Brazil**

*Thursday, 24 Sep, 2009*

ONGC Videsh Ltd the overseas arm of state run Oil and Natural Gas Corp expects output at its deep sea project in Brazil to rapidly rise to 40,000 barrels per day by the year end and offset the natural declines that have set in its Russian and Sudan projects.

Mr RS Butola MD of OVL told reporters that "Currently, oil is being produced from just one well and output is about 5,500 bpd. It will rise to 40,000 bpd by year end when five more wells will be brought into production."

OVL, Shell and Petrobras of Brazil started production on July 12 at its multi field Parque das Conchas project also known as BC-10, 120 kilometers off Brazil's southeast coast. Output will be quickly ramped up to 100,000 bpd or 5 million tonnes a year shortly.

Shell is the operator of the project with 50% stake while Brazil's state run Petroleo Brasileiro SA has 35% interest. OVL has 15%.

OVL which has nine producing properties in seven countries produced 120,000 bpd to 130,000 bpd in 2008-09. This fiscal the output is to fall to 5.8 million tonnes on declines that have set in Sakhalin 1 project in Russia and Greater Nile project in Sudan. Sakhalin-1, where OVL has 20% stake is producing about 160,000 bpd down from peak of 250,000 bpd achieved in 2007 and the output is slated to further fall to about 100,000 bpd by 2011. In Sudan, output has fallen to 175,000 bpd.

(Sourced from zeenews.com)

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