

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
December 16, 2010

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 December, 2010

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

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This report on Form 6-K is incorporated by reference in the Registration Statement on Form F-3 of Petróleo Brasileiro -- Petrobras (No. 333-163665).

**New well drilled in western Tupi
confirms light oil potential**

Rio de Janeiro, December 15 2010 Petróleo Brasileiro S.A. - Petrobras announces that the drilling of the eleventh of thirteen wells scheduled for the Tupi/Iracema area confirmed the light oil potential of the pre-salt reservoirs in ultra-deep Santos Basin waters.

The new well, called 3-BRSA-865A-RJS (3-RJS-677A) and informally known as Tupi W, was drilled at a water depth of 2,139 meters, nearly 275 km off the coast of Rio de Janeiro and 11 km northeast of well 1-RJS-628A (1-BRSA-369A), which discovered the Tupi accumulation.

Based on samples collected via a cable test, well 3-RJS-677A proved that the light oil accumulation (about 28°API) extends to the far west of the Tupi Evaluation Plan and verified a reservoir thickness of about 90 meters, further reducing the uncertainties regarding the estimated volume of hydrocarbons for the Tupi/Iracema area.

The information obtained from the wells drilled in the area confirms the the potential of 5 to 8 billion barrels of recoverable light oil and natural gas in the pre-salt reservoirs of the Tupi area. The final assessment of the volumes in the Tupi and Iracema areas is under analysis and will be disclosed through the Declaration of Commerciality, scheduled to be done in late December.

The productivity of the pre-salt layer reservoirs in well 3-RJS-677A will be assessed by means of formation tests planned for the coming months. If the expected yields are confirmed, the BMS-11 consortium will consider allocating a FPSO to the western area of Tupi.

The Consortium, formed by Petrobras (65% - Operator), BG Group (25%), and Petrogal Brasil - Galp Energia (10%), to explore block BM-S-11, where the Tupi/Iracema area is located, will carry on with the activities and investments called for in the Evaluation Plan which was approved by the ANP.

www.petrobras.com.br/ri/english

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This document may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act) 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 expressions, are used to identify such forward-looking statements. 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.

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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: December 16, 2010

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 within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act) that are not based on historical facts and are not assurances of future results. These forward-looking statements 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.

All forward-looking statements are expressly qualified in their entirety by this cautionary statement, and you should not place reliance on any forward-looking statement contained in this press release. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.
