

BRAZILIAN PETROLEUM CORP
Form 6-K
September 14, 2006

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, 2006

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

Petrobras enters into agreement to explore the Argentinean Sea

(Rio de Janeiro, September 13, 2006). PETRÓLEO BRASILEIRO S/A - PETROBRAS, [Bovespa: PETR3/PETR4, NYSE: PBR/PBRA, Latibex: XPBR/XPBRA, BCBA: APBR/APBRA], a Brazilian international energy company, announces that the subsidiary s Petrobras Energía, entered into an agreement yesterday with companies Energía Argentina (Enarsa) and Repsol YPF to organize a consortium whose purpose will be the exploration, development and commercialization of oil and natural gas in deep waters of the Argentinean continental shelf. Petrobras Energía will integrate the consortium with a participation of 35%, being the operator of the area, while Enarsa and YPF will have a 35% and 30% participation respectively.

The consortiums area of exploration will be located at approximately 250 kilometers from the city of Mar del Plata, in the province of Buenos Aires, with depths varying between 200 and 3.000 meters.

Petrobras Energía and YPF will be responsible, proportionally to their participation, for the funds necessary to finance the corresponding investment at Enarsa in this stage. If there is any commercial discovery, Enarsa shall reimburse Petrobras Energía and YPF for the investments carried out, related to their participation.

This project will benefit from the acknowledged leadership and technological capacity of Petrobras in the exploration and production in deep and ultradeep waters, in Brazil and abroad.

Last January, Petrobras Energía had already entered into an agreement with Enarsa, YPF and Petrouuguay, to explore, develop and commercialize oil and natural gas at the offshore areas of ENARSA 1 (E1) and CCM2, also in Argentinean Sea.

<http://www.petrobras.com.br/ri/english>

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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 sim 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 13, 2006

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.
