

Brazil prosecutors want Chevron work shut down

December 15 2011



Handout picture released by the Brazilian National Agency of Petroleum showing supply boats cleaning an oil spill around a Chevron platform operating in the Frade oil field in the Atlantic Ocean. Prosecutors in Brazil on Wednesday called for a shutdown of Chevron's activities nationwide and said the US oil giant should be fined \$11 billion for damage caused by an oil spill last month.

Prosecutors in Brazil on Wednesday called for a shutdown of Chevron's activities nationwide and said the US oil giant should be fined \$11 billion for damage caused by an oil spill last month.

Prosecutors took legal action against Chevron, its Brazilian unit and the contractor [Transocean](#), seeking \$11 billion over the spill at a production well at the Frade field, 370 kilometers (230 miles) off [Rio de Janeiro](#) state.

In a statement, they pressed for urgent action by federal judges to "suspend all the activities of Chevron" which would have to pay \$277 million daily if it failed to comply.

In a statement, Chevron said it had not received "any formal notice" of the court action.

"From the outset, Chevron responded responsibly to the incident at its Frade Field and has dealt transparently with all Brazilian authorities," the company said.

"The flow of oil from the source was stopped within four days and the company continues to make significant progress in containing any [residual oil](#)," it said.

"Chevron has also continued to address the surface sheen, which is now less than a single barrel. There have been no coastal or wildlife impacts."

Authorities has already suspended Chevron's drilling operations and denied it access to huge new offshore oil fields, which Brazil's national petroleum agency says have reserves that could surpass 100 billion barrels of high-quality recoverable oil.

Chevron faces a slew of fines from federal and Rio state authorities over the spill that together could exceed \$145 million.

The US firm accounts for 3.6 percent of the oil produced in Brazil, or 80,425 barrels a day, and one percent of the natural gas, according to official figures.

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