

Oil industry sues Biden administration over drilling auction pause

(Reuters) -Major U.S. oil industry groups on Monday sued the Biden administration for halting drilling auctions on federal lands and waters this year, arguing the government is required by law to hold regular sales.



© Reuters/EVELYN HOCKSTEIN U.S. President Biden discusses administration efforts to lower drug prices in a speech at the White House in Washington

The American Petroleum Institute (API) and 11 other groups filed the lawsuit in federal court in the Western District of Louisiana.

It seeks to compel the U.S. Department of Interior to reinstate oil and gas lease sales, which the administration paused in January pending a review of the program's environmental impacts and value to taxpayers.

Interior Secretary Deb Haaland had said the review, which formally began in March, would culminate with the publication of a report in "early summer."

"The law is clear: the department must hold lease sales and provide a justification for significant policy changes," API Chief Legal Officer Paul Afonso said in a statement. "They have yet to meet these requirements in the eight months since instituting a federal leasing pause, which continues to create uncertainty for U.S. natural gas and oil producers."

Interior officials would not comment on the suit.

During his campaign for president, Biden promised to stop issuing new leases to oil and gas companies as part of an ambitious agenda to combat climate change and move the country off of fossil fuel use by 2050.

In June, a federal judge in Louisiana granted a preliminary injunction to Louisiana and 12 other states that sued the Interior Department over the leasing freeze. At the time, Biden administration officials said they would comply with the ruling but

have not moved to resume auctions.

(Reporting by Nichola Groom; Editing by Aurora Ellis)

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