

Biden Administration Illegally Sells Oil to China, Depleting Strategic Petroleum Reserve

The Biden administration [sold a million barrels](#) of oil from the Strategic Petroleum Reserve to a China-owned gas giant. This is bad for national security, because it enables China to build a stockpile to use during a future war against America's ally Taiwan. It leaves the U.S. with even less oil to cope with a future Russian oil embargo, which would create massive oil shortages and raise the price of oil as high as [\\$11 per gallon](#). Biden's release of oil from the strategic reserve was [illegal](#) under the 1975 Energy Policy and Conservation Act, because it wasn't in response to an emergency.

The [Free Beacon reports](#):

The Biden administration sold roughly one million barrels from the Strategic Petroleum Reserve to a Chinese state-controlled gas giant that continues to purchase Russian oil...Biden's Energy Department in April [announced](#) the sale of 950,000 Strategic Petroleum Reserve barrels to Unipet, the [trading arm](#) of the China Petrochemical Corporation. That company, which is commonly known as Sinopec, is wholly owned by the Chinese government. The Biden administration claimed the move would "address the pain Americans are feeling at the pump" and "help lower energy costs." More than five million barrels of oil released from the U.S. emergency reserves, however, were sent overseas last month, according to a Wednesday Reuters [report](#). At least one shipment of American crude went to China, the report said...Biden's son, Hunter Biden, is tied to Sinopec. In 2015, a private equity firm he cofounded [bought a \\$1.7 billion stake](#) in Sinopec Marketing.

Sinopec went on to enter negotiations to purchase Gazprom in March, one month after the Biden administration sanctioned the Russian gas giant.

Biden has sold off significant portions of America's Strategic Petroleum Reserve, leaving America deeply vulnerable to an economic shock if Russia decides to shrink its supply of oil to the global market. If Russia cuts daily oil production by 5 million barrels a day, that could raise oil prices [to a "stratospheric" \\$380 per barrel](#), according to analysts at J.P. Morgan Chase. That would increase gas prices by over \$6 per gallon.

Bloomberg News [reported](#) that U.S. and six other nations are working on a "mechanism to cap the price fetched by Russian oil in a bid to tighten the screws on Vladimir Putin's war machine in Ukraine." Analysts [say](#) "it is likely that" Russia "could retaliate by cutting output as a way to inflict pain on the West." They say Russia "can afford to slash daily crude production by 5 million barrels without excessively damaging [its] economy...For much of the rest of the world, however, the results could be disastrous. A 3 million-barrel cut to daily supplies would push" crude oil "prices to \$190, while the worst-case scenario of 5 million could mean 'stratospheric' \$380 crude."

Biden has left America much more vulnerable to Russian retaliation, by depleting the Strategic Petroleum Reserve. Thanks to his policies, America can't fully offset any Russian cuts in oil production. Joe Biden has left the reserve partly empty, by [releasing oil](#) from it on multiple occasions, such as [50 million](#) barrels in November, [30 million barrels](#) on March 1, and 180 million barrels beginning on March 31.

In the past, America could have released gas from the Strategic Petroleum Reserve to compensate for Russian cuts in production. But thanks to progressives, there isn't enough oil

in the reserve now to make a difference. Democrats [kept President Trump](#) from expanding the reserve back when oil was dirt cheap. The reserve now is now partly empty, and [nowhere](#) near its [storage capacity](#).

In March 2020, President Trump proposed [adding oil](#) to the strategic petroleum reserve when oil cost only [\\$14 per barrel](#) (compared to [over \\$100](#) per barrel today), but Democrats blocked him from doing that.

Biden's releases of oil from the Strategic Petroleum Reserve [have been illegal](#), because they weren't in response to an emergency, and left the reserve with insufficient oil to respond to a true emergency. Biden's actions [violated](#) the 1975 Energy Policy and Conservation Act, notes Mark Robeck, the former deputy general counsel of the Department of Energy. The law prohibits releases from the reserve unless there is a severe domestic supply shortage, an act of sabotage or natural disaster. Biden's "unlawful release of oil from the SPR threatens national security by depleting" the Strategic Petroleum Reserve, [Robeck says](#).

Gas prices [more than doubled](#) after Joe Biden took office. Biden made gas prices rise faster by curbing oil production. In the 2020 election, Biden campaigned against America's oil and gas industry in 2020, [pledging](#) to "end fossil fuel." After taking office, he [canceled](#) the Keystone XL pipeline and imposed a moratorium on new gas leases on federal land. As the Free Beacon [notes](#), "Biden's energy secretary...is [working with left-wing activists](#) who want to eliminate fossil fuels, and in late October," Congressional "Democrats pushed [top oil executives](#) to produce less gas due to climate change."

As the Heritage Foundation [notes](#), Biden took many steps to reduce the supply of oil and gas, which will drive up gas prices:

On Mr. Biden's first day in office, he issued an executive

order directing the Secretary of the Interior to put a ... moratorium on the Coastal Plain Oil and Gas Leasing Program. That program directs the Bureau of Land Management to lease certain lands in Alaska for oil and gas extraction.

A few days later, he issued another order “pausing” oil and gas leases on all public lands and waters.

According to the Bureau, Alaska’s Coastal Plain is “some of the most highly prospective land on Alaska’s North Slope.” It contains billions of barrels of oil and trillions of cubic feet of natural gas. It is a king’s ransom of energy wealth, and the law requires that the administration make it available for extraction...The result: Mr. Biden has unlawfully trapped much of America’s vast energy reserves behind a wall of bureaucratic red tape, leaving them unavailable now that the country needs them.

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