

Commodities

US seeks to buy up to 3 million barrels of oil for Strategic Petroleum Reserve

By Timothy Gardner

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An oil storage tank and crude oil pipeline equipment is seen during a tour by the Department of Energy at the Strategic Petroleum Reserve in Freeport, Texas, U.S. June 9, 2016. REUTERS/Richard Carson [Acquire Licensing Rights](#)

WASHINGTON, Dec 8 (Reuters) - The U.S. Department of Energy on Friday said it wants to buy up to 3 million barrels of crude oil for the Strategic Petroleum Reserve (SPR) for delivery in March 2024, as it takes advantage of lower prices to start to replenish the stockpile.

The administration of President Joe Biden last year conducted the largest sale to date from the SPR of 180 million barrels to try to limit an oil price rally after Russia's war on Ukraine began in February 2022.



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The Energy Department [in October](#) said it would buy back oil for the reserve at \$79 per barrel or lower, after it had received an average of about \$95 a barrel from last year's emergency sales. It plans to release monthly offers to buy crude for the emergency stash through May next year.

The new solicitation is for sour crude and the delivery will be received by the Big Hill SPR site in Texas.

The department has bought back nearly 9 million barrels for the reserve at about \$75 a barrel. It has also secured the return of nearly 4 million barrels by February, several months ahead of schedule, from a previous exchange with oil companies.

Department officials have said that the return of oil is being tempered by planned life extension maintenance at the SPR, where oil is held in hollowed-out salt caverns on the Texas and Louisiana coasts. The reserve currently holds 351.9 million barrels of oil.

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