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Attorney General Pam Bondi
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Subject: Request for Department of Justice Dismissal of Lawsuits Harmful to the Louisiana Energy Industry and Contrary to President Trump's Unleashing American Energy Executive Order

Attorney General Bondi,

Consistent with President Trump's January 20, 2025, Executive Order entitled "*Unleashing American Energy*," we respectfully request that the U.S. Department of Justice dismiss all lawsuits related to insurance coverage under the Oil Pollution Act of 1990 (OPA 90). The DOJ filed the lawsuit in question during the waning days of the Biden Administration and have directly harmed to the Louisiana energy industry and impair President Trump's laudable goal of energy dominance. See USA v. HIS Syndicate 0033@Lloyd's, *et.al.*, 2:24-cv-02767.

Under the terms of the Executive Order, it is the policy of President Trump and the United States "to encourage energy exploration and production on Federal lands and waters, including on the Outer Continental Shelf, in order to meet the needs of our citizens and solidify the United States as a global energy leader long into the future." The Executive Order directs agencies to promptly notify the Attorney General of any actions in court relevant and inconsistent with this order. This Executive Order further directs the Attorney General to take appropriate action to address such inconsistencies. The actions of the U.S. Coast Guard and the U.S. Department of Justice (DOJ) in filing lawsuits during the waning days of the Biden Administration against insurance underwriters is precisely the type of action DOJ should immediately dismiss.

Our state is proudly at the epicenter of America's offshore oil and gas industry. In our backyard, the offshore oil and gas sector supports more than 100,000 jobs and thousands of Louisiana businesses. Our country has been producing oil offshore in federal waters since the 1940s and production from the Gulf has been steadily increasing over the past 30 years. In fact, this region has been producing more than one million barrels of oil per day since 1997 and hit its highest level of production on record of 2.044 million barrels per day in August 2019. Production today is at nearly 1.8 million barrels per day and, with many new, high-tech projects coming online, we expect production to climb considerably over the next few years.

The novel position taken by DOJ is fundamentally contrary to well-settled insurance law and reverses decades of accepted, lawful interpretation and application of insurance policy coverage. The Biden Administration's *reinterpretation* of the term "incident" for coverage under the OPA 90 was first asserted in 2020 as a novel method to trigger coverage from *multiple* annual policies for an incident that occurred sixteen years prior, specifically Hurricane Ivan and the damages caused by the storm to a Taylor Energy facility and related wells in 2004. Under existing law and established precedent, Hurricane Ivan *was the "incident"* for which coverage was paid by the insurance market for damages from the Taylor facility for the full amount of coverage in place in 2004. Contrary to long-established insurance law and practice, DOJ is now pursuing insurance payments from policies from 2005 through 2021 from various insurers – this includes claims for insurance coverage from policies that were not even in place at the time of Hurricane Ivan, the 2004 incident. As a result of this unsupported and completely novel interpretation of the law and the insurance policies, the insurance market has predictably responded by refusing to issue policies to cover Oil Spill Financial Responsibility (OSFR) or by making the required insurance prohibitively expensive for the offshore oil and gas industry.

Major insurers have indicated they will no longer provide OSFR coverage, citing the DOJ's lawsuits as an unsustainable departure from established underwriting norms. The inability to obtain OSFR certification could force operators out of compliance with the OPA 90, potentially halting operations in the U.S. Outer Continental Shelf (OCS), resulting in job losses, energy market disruptions, and increased financial liability for the federal government. Without insurance available to demonstrate the OSFR coverage required in the OPA 90, oil and gas operators cannot legally perform offshore oil and gas operations, which, in turn, threatens President Trump's mandate to maintain energy dominance. The continued degradation of the insurance market for offshore energy operators threatens the economy, jobs in Louisiana, and critical oil production from the U.S. offshore region.

Given the direct negative impacts on American energy dominance, we have been optimistic – and presumed – the DOJ would abandon its litigation and dismiss its lawsuits. The litigation has not only resulted in detrimental impacts to American energy production, it has also directly caused dramatically less available insurance coverage for ongoing maintenance and environmental work in the region.

We appreciate your leadership and the decisions of President Trump to advance American energy dominance. Louisiana continues to play a leadership role in driving the country forward with the infrastructure and investments to grow energy production consistent with the vision of President Trump. *We respectfully request that you dismiss the lawsuits in question.* I stand ready to work with you and the Administration toward these shared goals.

With warm regards,



Liz Murrill
Attorney General