

NEWSLETTER

OIL & GAS
20 - 26 April 2026



Energy sector shows resilience in Q1

In the first quarter of 2026, China's crude oil production reached 54.8 million tons, a year-on-year increase of 1.3%; natural gas production reached 68.07 billion cubic meters, a year-on-year increase of 3.0%. Both energy production reached record highs for the same period, ensuring industrial and livelihood needs and enhancing the self-sufficiency and controllability of the energy supply chain. **(China Daily)**

China builds largest cluster of high-yield gas wells

China National Petroleum Corporation's Tarim Oilfield announced the Kela 2-5 well has exceeded 10.009 billion cubic meters of natural gas output, becoming the field's seventh high-yield well over 10 billion cubic meters and forming China's largest such cluster. Started in 2004, it has produced 6 billion cubic meters yearly for a decade, with nearly 153 billion cubic meters in total. **(People's Daily)**

Domestic oil prices in China will see a significant reduction on April 21

At midnight April 21, China domestic refined oil saw its first 2026 cut (8th adjustment), expected to drop 690 yuan (\$101.21)/ton due to a sharp drop in international oil prices. After six hikes in seven moves this year, with gasoline and diesel prices accumulating to rise by over 2,600 yuan (\$381.36)/ton, aiding May Day holiday travel. **(China Energy Industry Development Network)**

Jiangsu's natural gas supply and demand both decline in 2026

According to a report released by the National Energy Administration on April 13, 2026, Jiangsu Province's pipeline natural gas supply from January to March 2026 was 8.45 billion cubic meters (a decrease of 2.3%). On the demand side, urban gas demand increased slightly by 0.2% year-on-year, but demand for power generation decreased by 5.0%, and direct industrial supply decreased by 15.1%. **(National Energy Administration)**

China's industrial natural gas output rose 3.0% year-on-year in Q1

Data released by the National Bureau of Statistics on March 16 showed that China's industrial natural gas output of above-scale enterprises hit 68.1 billion cubic meters in the first quarter of this year, up 3.0% year-on-year. March output stood at 23.4 billion cubic meters, with growth picking up slightly and daily output averaging 750 million cubic meters. **(Sina Finance)**