

Oil and Gas News Briefs

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North American LNG export capacity could double by 2029

(Energy Wire; Oct. 20) - The liquefied natural gas export capability of North America could more than double by 2029, mainly driven by U.S. export projects preparing to start up. In an analysis issued last week, the U.S. Energy Information Administration said LNG export capacity in the United States, Canada and Mexico is slated to grow from 11.4 billion cubic feet per day at the start of last year to 28.7 bcf per day in 2029 — assuming projects under construction start up as planned. That's equivalent to 218 million tonnes of LNG per year.

In the United States, planned additions to LNG export capacity will be centered in the Gulf Coast region, according to EIA, which said new gas pipelines are being built to feed the terminals. LNG projects under construction in the United States include those in southeast Texas — like the Golden Pass project and the Port Arthur facility — and ones in Louisiana, such as Louisiana LNG in Calcasieu Parish.

“The planned liquefaction capacity additions will be concentrated around the U.S. Gulf Coast, already the largest hub for LNG exports in the Atlantic Basin,” the EIA said in its report. North American export capacity additions will total over 50% of all expected global additions through 2029, according to the International Energy Agency.

U.S. gas demand for export will overtake household consumption

(Reuters commentary; Oct. 22) - Natural gas consumption by U.S. LNG producers looks set to overtake gas use by U.S. households for the first time in 2025, stoking tensions between the export-oriented LNG sector and domestic gas consumers already saddled with record-high energy bills. LNG exporters are by far the fastest-growing source of U.S. natural gas demand, with annual gas use by the sector jumping by 140% between 2019 and 2024, data from the U.S. Energy Information Administration shows.

The pace of growth for LNG exports far exceeded that of all other major gas users and total U.S. gas production over that period, and will result in LNG exporters consuming more gas than both U.S. commercial and residential gas users by the end of 2025. Given the valuable export revenues generated by the sector, the LNG industry enjoys strong support from U.S. policymakers and U.S. President Donald Trump. However, households — which have seen energy bills surge to record highs since 2020 as both electricity and gas costs have jumped — are less supportive of the LNG export boom.

If gas costs keep climbing along with LNG exports, consumer pushback against exports could intensify and could force policymakers to take steps to try to shield households from further gas market cost increases. Higher gas prices are feeding through to utility bills. So far in 2025, residential gas users have paid \$17.63 per thousand cubic feet, roughly five times more than the Henry Hub spot price average of \$3.60. Households face higher overall costs due to the extensive infrastructure needed to deliver gas to individual homes rather than large-volume industrial customers and export terminals.

Shortage of pipeline capacity helps to drive up U.S. natural gas prices

(Climate Wire; Oct. 21) - American coal and renewable generation surged through the first three quarters of 2025, largely thanks to the rising cost of natural gas. The chief culprit for the higher prices is a lack of pipeline capacity, limiting how much gas can be moved from productive regions like West Texas to a slew of new liquefied natural gas export terminals on the Gulf Coast. That has pushed gas prices up from the rock-bottom levels of last year, tempering the use of gas for electricity production, analysts say.

“There is a disconnect between what is going on upstream and what is going on downstream,” said Ira Joseph, an analyst who tracks gas and power markets at Columbia University’s Center on Global Energy Policy. While domestic gas production is keeping up with demand — hovering around record levels — pipelines are not. It gives a lifeline to coal, threatening to stall decreases in U.S. carbon dioxide emissions.

U.S. natural gas prices moved around \$2.70 to \$2.90 per million Btu in October and November 2024 but had climbed to around \$4 by March and again in June and were at about \$3.40 as of Oct. 21.

China’s LNG imports down for 11th month in a row

(Bloomberg; Oct. 20) - Chinese demand for seaborne gas is poised to remain tepid through the winter, as ample supplies blunt the usual surge in consumption at the end of the year. Imports of liquefied natural gas plunged 15% year-on-year in September, an 11th straight monthly decline. They’ve fallen 17% over 2025 so far, replaced by cheaper gas arriving via pipeline from Central Asia or Russia or produced locally, and an abundance of other power sources like coal, solar and hydro.

A poor winter for LNG demand could come with a silver lining, however, if it gives importers the upper hand in price negotiations with squeezed producers down the line, according to analysts and executives. That could help put the industry on a more sustainable path, the people said, at a time when the global market is becoming increasingly oversupplied.

China's National Energy Administration expects the world's biggest consumer of the fuel to record its slowest-ever demand growth of just 2% to 3% this year. All of that will be met by the increased volumes being drilled domestically or piped overland from Russia and Central Asia. China's slowing economy is an obvious drag on consumption. China has invested too much in LNG to let the market wither, though. Gas is viewed as a key backstop to intermittent renewables, and the industry has lobbied the government to dramatically raise the number of power plants that run on gas in the next five-year plan.

Pakistan asks Qatar to divert 24 LNG cargoes to other buyers

(The International News; Pakistan; Oct. 18) - Pakistan has urged Qatar to divert 24 of its contracted LNG cargoes for sale in the international market in 2026 as the South Asia country grapples with a deepening oversupply of liquefied natural gas. The move comes in response to plummeting domestic gas demand, mounting financial strain and growing pressure on the country's gas pipeline network.

The Petroleum Division officials involved in the annual delivery plan discussions say the proposal will be finalized by the end of October. The request falls under a clause in Pakistan's long-term LNG agreements with Qatar. While the clause allows for the resale of excess cargoes, it offers little financial relief: Qatar retains any profit from international sales, while Pakistan must absorb any losses if the spot market price is lower than the contract rate.

Pakistan currently imports nine LNG cargoes from Qatar each month — five under a 15-year contract and four under a 10-year contract. Both agreements are based on rigid take-or-pay terms, which require payment regardless of whether the gas is consumed. These imports were originally intended to supply four power plants in Punjab, which are now running at significantly reduced capacity. Due to a sharp decline in demand, Pakistan is facing an annual surplus of 35 LNG cargoes. This oversupply has triggered operational challenges, with excessive gas accumulation in the pipeline system.

U.S. imposes sanctions on Russia's two largest oil companies

(CNBC; Oct. 23) – The U.S. decision to sanction Russia's two largest oil companies threatens to disrupt the energy lifeline linking Moscow to its biggest customers in Asia, but without an immediate supply shock, industry experts told CNBC. The U.S. Treasury Department on Oct. 22 set sanctions on Rosneft and Lukoil, citing Moscow's "lack of serious commitment" to ending the war in Ukraine. The sanctions aim to "degrade" Russia's ability to finance its war, Treasury said, signaling more steps could follow.

The government has set Nov. 21 as the deadline for winding down operations, which means companies have nearly a month to wrap up or cancel existing deals with Rosneft

and Lukoil. That seems to be designed to avoid causing immediate chaos in the oil markets while applying pressure on Russia, said Bob McNally, President of Rapidan Energy Group. Rosneft and Lukoil together account for roughly half of Russia's more than 4 million barrels a day of exports, volumes that have found steady homes in Asian markets since the West imposed a \$60 price cap in 2022, according to Vanda Insights.

China imported about 2 million barrels per day of Russian oil in September, while India took around 1.6 million. "This is potentially a very significant escalation," said Muyu Xu, senior crude oil analyst at commodities data analytics firm Kpler. "India will likely need to walk away from its seaborne term agreements, while China's pipeline flows (from Russia) may continue," said Vortexa's oil market analyst Emma Li.

Sanctions mean buyers will need to find new ways to move and pay for oil, which creates extra costs and complications, and that's exactly what the U.S. wants: to cut Moscow's profits without completely stopping its exports, said McNally.

[EU ministers back plan to phase out Russian energy by 2028](#)

(Reuters; Oct. 20) – European Union energy ministers on Oct. 20 backed a proposal to phase out Russian oil and gas imports to the bloc by January 2028, the Council of the European Union said. The ministers approved the plans, which would phase out new Russian gas import contracts from January 2026, existing short-term contracts from June 2026, and long-term contracts in January 2028, at a meeting in Luxembourg.

The law is not yet final. EU countries must negotiate the final rules with the European Parliament, which is debating its position. The EU wants to phase out Russian energy imports to deprive the Kremlin of revenues to fund its war in Ukraine. Russia currently accounts for 12% of EU gas imports, down from 45% before its 2022 attack on Ukraine, with Hungary, France and Belgium among the countries still receiving Russian gas.

The European Commission designed the proposals to be able to pass despite past opposition from Hungary and Slovakia, the two countries that still import Russian oil. It needed backing from a "qualified majority" of EU member states — meaning at least 55% — so one or two nations alone could not block it. The text approved on Oct. 20 allowed specific flexibilities for landlocked member states, which include Hungary and Slovakia. Slovak Prime Minister Robert Fico defended his resistance to the gas and oil import phaseout and sanctions against Russia, which need EU unanimity.

[Tanker carrying Russian LNG positioned for open-water transfer](#)

(Bloomberg; Oct. 19) - A "dark tanker" carrying liquefied natural gas from a U.S.-sanctioned Russian export plant has positioned itself for a rare open-water fuel transfer

off the coast of Malaysia, satellite images show, in a demonstration of the increasingly circuitous routes taken by Moscow to evade Western restrictions. The LNG tanker Perle, which was sanctioned by the U.S. earlier this year, is currently anchored parallel to another vessel about 55 miles east of the Malay Peninsula, according to images taken by the European Sentinel-2 satellite on Oct. 18 and earlier ship-tracking data.

The position is typical of a ship-to-ship maneuver and suggests the two are in the process of transferring cargo. While the area has been a hot spot for open-water transfers of crude, often between so-called dark-fleet tankers that use a range of practices to evade sanctions, such operations are technically challenging and unusual for liquefied natural gas. Bloomberg analysis suggests this could be the first documented occurrence of Russian LNG transferred in waters off Malaysia.

Satellite images and ship-tracking data suggest the other ship is CCH Gas, owned by a Hong Kong-based firm. The ship is sending signals showing that it's somewhere else — a common practice by shadow-fleet ships masking their whereabouts called spoofing. Like many other vessels carrying Russian LNG and struggling to find buyers, the Perle has taken the long way to Asia. It loaded a cargo from the Portovaya plant on Russia's Baltic coast as early as February, according to data from Kpler. It appears to have waited months before heading to Asia in July, sailing around the Cape of Good Hope.

Russia's seaborne oil exports highest in 29 months

(Bloomberg; Oct. 21) - Russia's seaborne crude shipments climbed to the highest in 29 months in the past four weeks, bringing flows close to the most since the invasion of Ukraine in early 2022. Four-week average volumes from the country's ports were 3.82 million barrels a day to Oct. 19, according to vessel-tracking data compiled by Bloomberg, up by 80,000 from the period to Oct. 12 and the highest since May 2023.

Russia has been increasing production under an agreement with its OPEC+ partners to return some of the output they cut in earlier years to support prices. But shipments may be close to a peak, with ports operating near historical highs, damaged refineries boosting throughput after repairs and winter fast approaching. Effective capacity at export terminals may be heading for a seasonal downturn with the approach of winter.

Separately, the amount of crude available for export may begin to ease, with refinery runs recovering after several key plants repaired damage from Ukrainian drone strikes. If Russia is able to maintain higher refining rates, some crude is likely to be diverted away from export terminals to provide fuel for the military and the domestic market.

U.S., Qatar keep pushing EU to weaken corporate sustainability rules

(Reuters; Oct. 22) - The European Parliament agreed on Oct. 22 to consider further changes to the EU's corporate sustainability rules, as the U.S. and Qatar stepped up pressure on Brussels to weaken the law. The U.S. and Qatar had urged the European Union to scale back the law and warned that the rules risked disrupting liquefied natural gas trade with Europe. In a vote that had been scheduled before the U.S. and Qatar's intervention, the European Parliament agreed to negotiate further changes to the law. The EU aims to approve the final changes by year-end.

The bloc was already considering changes to exempt more companies from the due-diligence law, which requires firms operating in the EU to fix human rights and environmental issues in their supply chains or face fines of 5% of global revenue. But companies including ExxonMobil have demanded the EU go further and fully withdraw the policy, arguing it would lead to businesses leaving Europe.

The rules "pose a significant risk to the affordability and reliability of critical energy supplies for households and businesses across Europe and an existential threat to the future growth, competitiveness and resilience of the EU's industrial economy," Qatar's Energy Minister Saad al-Kaabi and U.S. Energy Secretary Chris Wright said in a letter to EU leaders. The EU is split over the corporate sustainability due diligence directive, which is a key plank of Europe's efforts to transition to a cleaner economy and an effort to use the EU's position as a major marketplace to encourage partners to do the same.

Brazil gives OK for offshore exploratory well north of Amazon River

(Bloomberg; Oct. 20) - Brazil's state-controlled energy company received approval to explore for oil near the mouth of the Amazon River, capping a yearslong standoff with environmental regulators over access to a basin thought to hold vast amounts of crude. Petroleo Brasileiro said Oct. 20 it had received permission to drill an exploratory well in the Foz do Amazonas Basin. "The drill rig is at the well site and drilling is scheduled to begin immediately, with an estimated duration of five months," the company said.

The world's biggest oil companies have salivated for a decade over the prospect of drilling in the area, in deep Atlantic waters off Brazil's north coast. It's especially tempting for Petrobras as output from Brazil's existing oil fields is expected to peak around 2030. Yet environmentalists have fought bitterly against the move, warning an oil spill could imperil the ecosystem at the Amazon's mouth to the south. The approval comes less than one month before Brazil hosts the U.N. climate conference, COP30.

While the basin is 330 miles from the river itself, environmentalists warn powerful currents could quickly drive any spilled oil into the delicate marine environment fed by the Amazon's freshwater outflow, endangering the ecosystem and posing a threat to coastal indigenous populations that depend on the region for fishing. ExxonMobil's

discovery of billions of barrels further north in Guyana has boosted interest from oil giants in Foz do Amazonas and the wider region known as the Equatorial Margin.

U.S. investors putting more money into Canadian oil industry

(CBC Canada; Oct. 20) - There's growing interest among U.S. investors in the Canadian oil patch, a trend driven by friendlier rhetoric from the federal government and a belief that the industry north of the border will more reliably return cash to them in the years ahead. Jeremy McCrea, a Calgary-based managing director at BMO Capital Markets, described the trend as a "rotation," with more investment coming from the United States and a slight decline from Canada.

While lower oil prices have generally put a bit of a damper on investment, many portfolio managers still want to hold some energy stocks and see more potential in the Canadian sector compared with the U.S., McCrea said. U.S. funds now own about 59% of Canadian oil and gas companies, up from 56% at the end of last year, he said. Meanwhile, Canadian ownership of these companies has dipped from 37% to 34%.

Part of the uptick in interest is also driven by the relative economics of the oil patch in Canada versus the U.S. In the U.S., most oil production still comes from oil wells. Once wells are depleted, new ones have to be drilled. This costs money and might not be worth it to companies depending on the price of oil. In comparison, much of Canada's oil production happens in the oil sands. Oil sands projects are expensive to build upfront, but once complete, they can run at a low cost for several decades.

Texas company wants to drill for oil in Greenland

(Fortune; Oct. 22) - Veteran U.S. oilman Robert Price was regaled with stories of dogsledding and adventures in Greenland as a child from his father who served as a military weatherman there in World War II. Those stories kept the massive, icy North American territory in his mind until this year. In a series of still-pending deals, Price will soon become CEO of Texas-based Greenland Energy, the first publicly traded company created to drill for oil onshore in Greenland. The first well is tentatively set for next year.

Greenland is potentially home to one of the world's largest oil field reserves. But it's also the sparsely populated territory that U.S. President Trump wants to annex for strategic geopolitical and military purposes — very much against the wishes of Greenland and Denmark, which oversees the autonomous territory. Greenland, with its rapidly melting ice sheet, also is an example of climate change largely caused by fossil fuels. Price and executive chairman Larry Swets aren't tone deaf. They're aware of the political and environmental sensitivities that have thrust Greenland into the headlines this year.

Their effort is not related to American annexation, they insist. “Regardless of the overall political climate out there, I believe the Greenland people deserve to know whether or not they have one of the largest oil fields in the world,” Price said. The men are betting their costs will prove lower than the industry average because they’re drilling old-school, conventional wells that go straight down — not the complicated horizontal drilling and fracking of the U.S. shale boom. However, energy analysts point to the high costs of setting up in a new remote environment in harsh weather without local infrastructure.

China’s turbine manufacturers lobby for more wind power

(Bloomberg; Oct. 19) - China’s largest turbine makers are lobbying the government to install at least 120 gigawatts of wind power capacity in each of the next five years, an acceleration of the country’s energy transition that would more than double output by the end of the decade. Goldwind Science & Technology Co. and Ming Yang Smart Energy Group were among dozens of companies that put forward the new target on Oct. 20 at the annual China Wind Power conference in Beijing. Their proposal backs a push by the world’s largest polluter to reduce its dependence on fossil fuels.

China has set a headline goal of cutting net greenhouse gas emissions by 7% to 10% by 2035. By then, the country aims to have installed 3,600 GW of capacity for wind and solar power combined, President Xi Jinping said in a speech to the United Nations General Assembly last month. China has blazed past previous targets on renewable energy, with record rates of wind and solar power installation putting the country six years ahead of schedule on its 2030 goal.

Under the industry’s new proposal, cumulative national wind power capacity would hit 1,300 GW by 2030 and no less than 2,000 GW by 2035, compared with 520 GW at the end of last year. China set a record last year by adding nearly 80 GW of wind capacity, and is expected to surpass that in 2025 with 94 GW of new projects, according to BloombergNEF. The industry’s proposed new targets also include 15 GW a year of offshore wind projects through 2030.

U.S. says fuel smuggling now a big business for Mexican cartels

(Reuters; Oct. 22) - On the afternoon of March 8, a tanker named Torm Agnes entered the Port of Ensenada on Mexico’s Pacific coast carrying almost 120,000 barrels of diesel. Such a vessel was a rare sight in that port, which mainly hosts cruise liners, yachts and container ships. Ensenada lacks the infrastructure needed to unload cargos of flammable hydrocarbons safely — making what happened later that day odder still. Waves of fuel-hauling trucks rolled up to the dock to cart away much of the load.

Workers scurried about filling the trucks' cavernous tanks, up to six at a time. The operation, while risky, ran like clockwork, according to an eyewitness and a photo and video from the scene shared with Reuters. The audacious maneuver was the work of cartel-linked smugglers, according to three Mexican security sources and three people familiar with the operation — part of a wave of bootleggers upending Mexico's fuel market with a flood of cut-rate fuel procured mainly from the United States that's disguised in customs declarations as something else.

The Mexican crooks didn't act alone. A Houston company named Ikon Midstream played a key role in the multimillion-dollar Ensenada operation, Reuters has found. It purchased the diesel in Canada, claimed in paperwork it was lubricants, and chartered the tanker to deliver it to a customer that Mexican authorities allege is a front for one of the country's largest and most violent cartels. Narcotics remain the principal money-maker for Mexico's cartels. But illegal fuel and stolen crude oil have become the largest non-drug revenue source for these criminals, the U.S. Treasury Department says.

[Egypt's LNG imports surge amid domestic gas production shortage](#)

(Bloomberg; Oct. 20) - Egyptian imports of liquefied natural gas have surged over the past two years to become the biggest in the region, overtaking long-term buyer Kuwait. Egypt has received 6.46 million tonnes of LNG so far this year after importing almost nothing only two years ago. Kuwait has imported 6.44 million tonnes in 2025, according to ship-tracking data compiled by Bloomberg.

Surging domestic gas demand amid double-digit annual declines in production led Egypt to become a net importer last year in order to avoid a supply crunch. The Egyptian government is looking to turn this around. It aims to boost exports over the next five months to encourage foreign companies to invest more in gas production by allowing them to sell some of their output at higher prices overseas

Meanwhile, Kuwait's LNG imports are expected to grow. It built the region's first and only permanent onshore facility for importing LNG, which can receive as much as 24 million tonnes per year, at a cost of \$2.9 billion.