Oil and Gas News Briefs
Compiled by Larry Persily
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China installed 3 times as much wind power as the rest of the world

(The New York Times; May 5) - As the war in Iran threatens to choke off oil and gas supplies from the Persian Gulf, China is seizing the moment to extend its dominance in wind power. Across China, hilltops are dotted with wind turbines, and long rows of them span many miles in western deserts. Ultrahigh-voltage power lines carry electricity thousands of miles to the energy-hungry factories along China's coast. Last year, China installed three times as much wind power capacity as the rest of the world combined.

The global industry's center of gravity has shifted decisively: All of the world's six largest wind turbine manufacturers are Chinese, displacing once-dominant European firms and companies like General Electric. The war has made China's investments in wind look prescient. Its Asian neighbors, long reliant on Middle Eastern oil and gas, are struggling to secure fuel supplies. Meanwhile, China, with its massive reserves and modern electric grid, is better positioned to weather the energy crisis.

Unlike solar projects, which can be built quickly, wind power demands long-term planning and patience. Chinese officials have both in abundance. The contrast with the U.S. is stark. Under President Donald Trump, energy policy has swung back toward oil and gas. In the past six weeks, the Trump administration has moved to spend nearly $2 billion reimbursing energy companies for abandoning plans to build offshore wind farms. This week, a leading renewable energy group said the administration has stalled more than 150 wind farm projects by delaying military reviews once considered routine.

Energy crisis could push Asia away from fossil fuels to renewables

(Bloomberg commentary; May 4) - The dizzying changes wrought by energy shocks are only ever seen in the rearview mirror. When the 1973 and 1979 oil crises hit the world, analysts assumed the future would be business as usual — it didn't turn out that way. Faced with a sevenfold increase in the cost of crude, Europe began a shift. A fleet of nuclear reactors in France, home boilers powered by North Sea gas in England and a pipeline connecting Germany to Siberian gas fields shredded forecasts. By the mid-1980s, Europe's gas consumption had more than doubled from 1973, but oil fell 20%.

We're seeing the first tremors of a similar earthquake now in Asia. More than 80% of the oil and gas that passes through the Strait of Hormuz heads east. Like Europe, most of the region is fundamentally short of petroleum, and getting more so with each passing year. Shortages and price increases for fossil fuels are starting to hit consumers, in a

way that will upend previous forecasts as dramatically as the 1970s oil shocks. All this is driving a rush for alternatives — and the winner each time is clean energy.

As with Europe in the 1970s, Asia is a crucial region in forecasts for fossil fuel consumption growth. In BP's latest energy outlook, emerging Asian countries account for all the growth in LNG use. About 70% of the global increase in oil demand out to 2035 will be in Southeast Asia and India, according to the International Energy Agency. The global petroleum industry is counting on robust consumption growth in Asia to justify the investments it will make over the coming years.

But the crisis in the Strait of Hormuz is giving consumers and governments in the region compelling reasons to seek out alternatives. Hardly anyone predicted the conflict that is catalyzing this revolutionary shift. But the direction has been clear for years, as the costs of clean energy have slumped below those of fossil power almost everywhere. Europe's oil demand never recovered from the shocks of the 1970s. If the crisis in the Strait of Hormuz doesn't end soon, a yet more dramatic transformation awaits in Asia.

Rising U.S. fuel prices may push politicians to question exports

(Reuters commentary; May 5) - U.S. exporters have helped plug key global energy product shortages caused by the Iran war. But sharply rising domestic fuel costs are raising questions about the merits of sending so much overseas while pump prices climb at home. U.S. exports of gasoline, diesel, crude oil, LNG, jet fuel and ethane all surged to record highs so far in 2026 as energy firms capitalized on the disruptions to Middle East shipments and catered to urgent orders from customers around the world.

From January to April, combined U.S. shipments of those six energy products rose by 20% from the same months in 2025 to over 153 million metric tons, commodities intelligence firm Kpler data shows. The rise in those U.S. exports of fuels, oil and LNG has gone a long way to offset the drop in exports of the same products from the Middle East since the conflict started. However, those exports have also created some supply tightness at home, especially in transportation fuel markets where gasoline and diesel prices have jumped to multi-year highs and posed fresh worries about the cost of living.

With important midterm elections later in 2026, further discussions over how to reduce fuel and energy costs can be expected across the U.S. political spectrum, with record export volumes likely to come under close scrutiny. This tension between domestic consumers and firms that profit from exporting energy products may only get more severe as we enter the peak demand period for transport fuels and household electricity use from air conditioning systems. If consumers push back strongly enough, lawmakers may view moves to restrict energy exports as a means to lower consumer prices.

Texas port busier than ever as U.S. oil exports up 30% since February

(CNBC; May 3) - The Port of Corpus Christi, Texas, has never been busier as tankers from around the world flock to the U.S. Gulf Coast to load up on crude oil during the Iran war. The port was the third-largest oil export terminal in the world before the war, behind Ras Tanura in Saudi Arabia and Basra in Iraq. Its importance has only grown since, as U.S. crude oil exports have surged to a record and the two big Persian Gulf ports are largely cut off from the world due to Iran's blockade of the Strait of Hormuz.

U.S. oil exports jumped to 5.2 million barrels per day in April, a more than 30% increase over the 3.9 million per day exported in February before the war, according to data from Kpler. March was the busiest month in the history of the Port of Corpus Christi, and the first quarter was its busiest quarter ever, said CEO Kent Britton. Oil exports from the port alone have increased to 2.5 million barrels a day. "It's a constant parade of tankers coming in and out," he said. Corpus Christi accounted for about half of U.S. crude oil exports in April, while Houston made up most of the rest, according to data from Kpler.

Some 50 to 60 very large crude carriers are heading to U.S. ports on any given day right now, double last year, Kpler's data shows. Many are coming from Asian countries that imported their oil from the Middle East before the war, said Matt Smith, director of commodity research at Kpler. They are now turning to the U.S. Gulf Coast. Corpus Christi has also seen a big increase of refined product exports to the Mideast East. The volume of those exports was higher in the first quarter than for all of 2025, Britton said.

Gasoline over $6 a gallon in California and heading higher

(CBS News; May 4) - California gasoline prices reached their highest mark since 2023 as the last oil shipment from the Strait of Hormuz arrived at a Los Angeles County port. Currently, California drivers are paying an average of just over $6 a gallon for regular gas, the highest prices in the country, according to GasBuddy. The state receives roughly 30% of its foreign crude oil from the Persian Gulf. That last tanker's delivery of 2 million barrels of crude leaves a bit of uncertainty about how the final shipment will affect gas prices heading into summer, said GasBuddy analyst Patrick De Haan.

"It would probably lead to gasoline that rises from $6.50 to $7 a gallon," De Haan said. "It could lead to diesel that is approaching $8.50 or $9, and it could be restrictive for some airlines." De Haan also warned that even if the Strait of Hormuz reopened tomorrow, prices wouldn't go down overnight. "That would put us at 64 weeks, which would put us, I believe, into June or July of 2027," De Haan said. He said commuters can slow down, combine trips, use apps to find the cheapest gas and pay with a rewards card to save some money, but there isn't much else that will ease the burden.

Chevron CEO says world can expect to see oil shortages

(Reuters; May 4) - Chevron CEO Mike Wirth said on May 4 that physical shortages in oil supply would begin appearing around the world because of the closure of the Strait of Hormuz, through which 20% of global oil passes. Economies will begin shrinking, first in Asia, as demand adjusts to reduced supply with the strait closed because of the U.S.-Israeli war with Iran, Wirth said during a discussion sponsored by the Milken Institute.

"We will start to see physical shortages," he said, noting that surplus supply in commercial markets, tankers in so-called shadow fleets avoiding sanctions and national strategic reserves were being absorbed. "Demand needs to move to meet supply," he said. "Economies are going to have to slow." Asia is most heavily dependent on the Gulf's oil production and refineries, with Europe likely to be affected next, Wirth said.

He said that the U.S., a net exporter of crude, would be less affected than other parts of the globe, but eventually the effects would be felt there as well. He pointed out that the last scheduled shipment of oil from the Persian Gulf was being offloaded at the Port of Long Beach, which supplies Los Angeles and southern California. The overall effect of the Hormuz closure is "potentially as big as in the 1970s," Wirth said.

Global oil stockpiles nearing lowest level in eight years

(Reuters; May 4) - Global oil stocks are approaching their lowest level in eight years, Goldman Sachs said on May 4, warning that the speed of depletion was becoming a concern as supplies through the Strait of Hormuz remained restricted. Oil prices jumped about 6% on May 4 after Iran hit several ships in the strait and set a UAE oil port ablaze, as President Donald Trump's attempt to use the U.S. Navy to free up shipping provoked the biggest escalation since a ceasefire was declared four weeks ago.

The bank estimated total global oil stocks stood at 101 days of demand and could fall to 98 days by the end of May. Goldman added that while total global stocks are "unlikely to hit minimum operational levels this summer, the speed of depletion and supply losses in some regions and products is concerning." The bank estimated that global commercial refined products stocks have drawn down from 50 days of demand before the U.S.-Israeli war on Iran to 45 now. The bank added that easily accessible refined products buffers were fast approaching very low levels.

Oil companies show strong interest in proposed U.S.-Canada line

(Reuters; May 5) - A proposed pipeline for carrying Canadian crude oil to the U.S. is close to securing the minimum commitments from oil companies that the project needs

to go ahead, four sources familiar with the matter told Reuters. The Alberta-to-Wyoming pipeline, proposed by Canadian pipeline company South Bow and its U.S. partner Bridger Pipeline, could increase Canada's crude exports to the U.S. by more than 12% if it goes ahead, bringing much-needed pipeline takeaway capacity to Canada.

U.S. President Donald Trump on April 30 signed an order granting a cross-border permit to the project. In 2021, President Joe Biden formally revoked the permit needed to build the Keystone XL oil pipeline, the last major pipeline proposed between Canada and the U.S. While the new proposal takes a different route through the U.S. than the canceled Keystone XL, South Bow's portion would revive about 93 miles on the Canadian side that has already been built and is sitting idle. That pipe would then connect to Bridger's proposed pipeline in Montana and extend about 645 miles to Guernsey, Wyoming.

Analysts, however, say Guernsey, Wyoming, is not an end market for crude oil, so additional links would need to be built to refining hubs such as Cushing, Oklahoma, Patoka, Illinois, and the U.S. Gulf Coast. Oil companies have committed to move at least 400,000 barrels per day, or about 72% of the pipeline's initial capacity of 550,000 barrels per day, the four sources said. The project would eventually be capable of moving up to 1.13 million barrels per day, according to a filing by Bridger. Oil output from Canada was about 5.5 million barrels per day at the end of January, according to the country's energy regulator. That could climb as high as 6.1 million by 2030.

Russia profits as oil exports climb to highest since 2022

(Bloomberg; May 5) - Russia has seen the value of its oil exports jump to the highest since the Kremlin launched its full-scale invasion of Ukraine in February 2022, driven by rising flows and elevated prices triggered by the war in Iran. Four-week average crude flows rose to the highest since December, gaining for a second week as the impact of earlier Ukrainian drone strikes on key export ports continues to fade. The value of shipments averaged a post-invasion high of $2.42 billion a week in the period to May 3.

The surge in global oil prices has made Moscow a beneficiary of the Middle East war, which has upended energy markets and left refiners scrambling to replace lost barrels. The conflict has seen Tehran effectively close the vital Strait of Hormuz, while the U.S. has imposed its own blockade on Iranian ships. Amid the disruption, Washington has eased sanctions on Moscow’s oil, reopening some markets to Russian oil.

Attacks that targeted export hubs in Primorsk and Ust-Luga on the Baltic Sea and at Novorossiysk on the Black Sea hammered loading and sent shipments tumbling in late March and early April. But repairs have allowed cargoes to resume, although several storage tanks have been destroyed. Four-week crude flows from Russia’s ports rose to 3.66 million barrels a day in the period to May 3, according to tanker-tracking data — the highest since December and up by almost 500,000 barrels a day since mid-April.

UAE state oil company accelerates investment in growth

(Bloomberg; May 3) - The United Arab Emirates' flagship oil company ADNOC announced plans to accelerate its growth plan with $55 billion in project awards spanning upstream and downstream operations, following the country's exit from OPEC on May 1. The $55 billion, part of $150 billion the company had earmarked in capital expenditure through 2030, is planned for 2026-2028 and will help ADNOC meet rising global energy demand, the government-owned company said in a statement on May 3.

The announcement coincided with a meeting of OPEC+ nations to decide on June production quota levels. Major members agreed via video conference to a modest and symbolic increase, delegates said, as the group sends a business-as-usual message following the UAE's surprise exit. "ADNOC is entering a defining execution phase in its strategy, driven by scale, pace and a laser-focus on delivery," UAE Minister of Industry and Advanced Technology and ADNOC CEO Sultan Al Jaber said in the statement.

The UAE announced its departure from the oil cartel as of this month, saying the shortages caused by the Iran war will require agility to respond to market demands without being constrained by the collective decision-making process of the wider group. The UAE's OPEC departure deals a significant blow to the group and comes after years of tension with leader Saudi Arabia.

Abu Dhabi oil company close to FID with TotalEnergies on gas project

(Reuters; May 5) - Abu Dhabi's ADNOC expects to make a final investment decision this year on its unconventional gas project with TotalEnergies, with approval for a separate unconventional oil project expected to follow soon, its upstream chief said. The United Arab Emirates' May 1 exit from OPEC was a "sovereign decision taking into account the long-term strategic and economic interest of the country," state oil giant ADNOC's Upstream CEO Musabbeh al-Kaabi told Reuters.

ADNOC's unconventional projects, which use advanced drilling techniques similar to those used in the U.S. shale industry, have been in pilot production for more than a year to assess decline rates and reduce investment risks, Kaabi said at the Make it in the Emirates conference. The oil project is partnered with Malaysia's Petronas and U.S. oil and gas producer EOG Resources.

ADNOC aims to reach 5 million barrels per day of oil production capacity by next year. UAE Energy Minister Suhail al-Mazrouei said last year capacity could be boosted to 6 million barrels per day if markets require it. Operating outside OPEC's quota system gives the UAE the flexibility to meet growing global demand while delivering its "lowest-cost production but more importantly the lowest carbon-intensity barrels," he said.

Tankers ‘go dark’ to move Abu Dhabi LNG through Strait of Hormuz

(Bloomberg; May 7) - Abu Dhabi National Oil Co. has managed to keep a trickle of liquefied natural gas exports moving through the Strait of Hormuz by concealing tanker locations, as established producers shift tactics to navigate the conflict. At least two tankers that loaded at ADNOC’s Das Island facility went dark to move LNG out of Hormuz after the war began, according to a Bloomberg analysis of vessel-tracking data and people with knowledge of the matter. Satellite imagery shows ships continuing to dock at the terminal, even as no tankers broadcast positions near the plant.

Three other empty ADNOC LNG carriers also stopped transmitting signals after reaching the eastern entrance of the strait, ship data show. These vessels are also masking their movements to head into the Persian Gulf via Hormuz to load cargoes, said one of the people, who asked not to be named as they aren’t authorized to speak with the media. ADNOC did not respond to a request for comment.

LNG flows have been upended even more than oil by the closure. So far, at least two loaded LNG tankers linked to ADNOC have been identified exiting the Gulf since the end of February. While that offers tentative signs that more flows could resume, it remains a far cry from pre-war levels of roughly three shipments a day. ADNOC’s move underscores how producers are resorting to riskier strategies to push fuel out of the region. The approach has allowed limited LNG production at ADNOC’s export plant.

TotalEnergies reports Mozambique LNG project 42% complete

(TrendsnAfrica; May 3) - TotalEnergies’ Mozambique LNG project in Cabo Delgado province is 42% complete, with more than 6,000 workers on the job site and startup targeted for 2029, CEO Patrick Pouyanné said on April 29 during the company’s first-quarter 2026 earnings call. TotalEnergies late last year decided to restart construction at the Mozambique project, which includes an onshore liquefaction plant fed by offshore gas reserves. Insurgent attacks in the region prompted Total to stop work in 2021.

The export project, designed for a production capacity of 13 million tonnes per year, had been estimated at $20 billion before the four-year shutdown. Total has not publicly updated its construction cost since restarting work in January. Total holds a 26.5% stake; Japan's Mitsui, 20%; Mozambique's state-owned ENH, 15%; three Indian companies with holdings totaling 30%; and Thailand's PTTEP with an 8.5% stake.

Mitsubishi delays climate target as it focuses on U.S. natural gas

(Nikkei Asia; May 2) - Mitsubishi has moved the goalpost for one of its climate goals as energy supply instability pushes Japan's biggest trading house to expand investment in

natural gas and other sources beyond the Middle East. "Geopolitical risks have sprung up in the Middle East and elsewhere," Mitsubishi President Katsuya Nakanishi said at an earnings press conference on May 1. "The premise of international cooperation toward a decarbonized society has been shaken."

In 2021, the company announced a goal of reaching net-zero greenhouse gas emissions by 2050. At the end of 2021, it won bidding for offshore wind power projects in three areas of Japan. The next year, it acquired operating rights to an offshore wind project in the Netherlands. But global momentum toward renewable energy has weakened since the start of President Donald Trump's second term last year. Then came the Iran war in February, which has roiled global energy supplies.

Mitsubishi will keep its long-term goal of zero emissions by 2050, but a medium-term target of halving greenhouse gas emissions by fiscal 2030 compared to fiscal 2020 was scaled back to a reduction of 30% to 50%. "We will respond flexibly to the business environment," Nakanishi said. Global electricity demand is being driven up by the spread of generative artificial intelligence. The world needs energy sources that are stable, affordable and low emission, but renewable energy alone is not enough.

LNG and natural gas are drawing renewed attention. While the Middle East holds roughly half of the world's oil reserves, gas is found in many regions. Mitsubishi's acquisition of gas assets from U.S.-based Aethon for 1.2 trillion yen ($7.65 billion), including debt, is expected to be completed by June, allowing the Japanese group to set up a new gas supply chain in the U.S. Aethon's gas will supply power plants in the U.S. "We will shift the core of our strategy from LNG to natural gas," Nakanishi said.

Energy shock bolsters Korea’s efforts to scale back fossil fuels

(Bloomberg; May 4) - The Iran-driven energy shock is adding urgency to South Korea’s push to cut its reliance on imported fossil fuels, giving President Lee Jae Myung momentum to push his clean-energy agenda. Electric vehicle sales and solar panel imports have surged since the conflict in the Middle East began in late February, early signs that higher fuel costs and supply risks are reshaping behavior.

Seoul — which imports the majority of its energy, including 70% of its crude oil via the Strait of Hormuz — has rolled out a supplemental budget with 540 billion won ($365 million) for solar and wind projects, energy storage systems and EV subsidies. The shifting consumer demand and increased fiscal support suggests the crisis is influencing both markets and policy. But core targets — expanding clean power, phasing out coal and reducing natural gas dependence — predate the conflict, raising questions over the depth of the structural change.

“The government has set the right direction and framing, but it’s not yet doing enough to turn this into a real opportunity to accelerate the transition,” said BloombergNEF analyst

David Kang. “The biggest missed opportunity is Korea’s long-delayed power market reform, especially on the retail side.” President Lee has repeatedly framed the Iran war as a catalyst for faster change. “The Republic of Korea as a whole must move very swiftly toward renewable energy,” he said last month. “Our future will be at a serious risk if were continue to rely on fossil fuels.”

Southeast Asia deepwater gas projects present fragile economics

(Wood Mackenzie report; May 4) - Southeast Asia is entering a critical second wave of deepwater gas development targeting 28 trillion cubic feet of resources across Indonesia, Malaysia and Brunei. However, delivering these projects won’t be easy. Our models suggest these projects have fragile economics, with many delivering less than 15% internal rates of return. As a result, operators face narrow margins for execution error as they race to deliver over US$20 billion of new infrastructure and supply by 2030, according to Wood Mackenzie estimates.

“Southeast Asia's shallow-water and onshore gas fields are maturing rapidly, and this necessitates a focus on deepwater resources that were once considered too risky and expensive,” said Munish Kumar, senior research analyst for upstream at Wood Mackenzie. “Asia’s first wave of deepwater gas projects between 2008-2017 proved the commercial viability of the concept in new countries, such as India, China and Malaysia. But since then, activity has been sporadic due to various commercial, regulatory and subsurface challenges. Now we are entering a new phase.”

Wood Mackenzie's analysis shows most projects clustering at approximately a 15% IRR threshold under base-case assumptions, substantially lower than deepwater developments in other global basins. Sensitivity analysis demonstrates the razor-thin margins: A 20% increase in capital expenditure or a 20% reduction in gas price or production volume erodes net present value by approximately 150%. A three-year project delay causes immediate 50% value erosion.

Norway sets bidding for 70 offshore oil and gas blocks

(Reuters; May 5) - Norway's government said on May 5 that it is offering 70 new blocks for energy companies to explore for oil and gas in its annual licensing round as the country seeks to extend the life of its petroleum industry. The new blocks include 38 areas in the Barents Sea, 10 areas in the Norwegian Sea and 22 areas in the North Sea, with an application deadline of Sept. 1 and final awards expected in early 2027.

The annual rounds of offshore exploration acreage are central to Norway's strategy of extending oil and gas flows for decades to come, although activity is widely expected to decrease in the coming years. The energy ministry also said it approved a development

plan from ConocoPhillips and partners to reopen the Albuskjell, Vest Ekofisk and Tommeliten Gamma fields closed in 2019. The late-life assets still hold some 90 million to 120 million barrels of oil equivalent in gas and condensate, the companies said.

Norway’s Equinor says customers calling from Australia and Asia

(Reuters; May 6) - Equinor has seen a surge in interest for energy exports out of Norway from customers as far afield as Australia after the Iran war curbed exports of petroleum and liquefied natural gas from the Persian Gulf. The conflict has effectively closed the Strait of Hormuz, a choke point for energy exports from producers in the Gulf, especially affecting clients in Asia. The closure has resulted in the loss of 12 million barrels of oil per day and has also hit the supply of refined products such as diesel and jet fuels, Equinor CEO Anders Opedal told reporters.

Europe's biggest producer of oil and gas reported its highest quarterly earnings in three years, lifted by high output and rising petroleum prices caused by the war. “We see that there is demand from customers in Asia who contact us once a year to maintain their customer relationship. They call twice a week now," Opedal later told Reuters. Recently, Equinor shipped a cargo of gasoline from Norway to Australia, something that had not happened in years, Opedal said. For LNG, there has been increased interest from fertilizer producers in India, the CEO said.

EU countries will discuss domestic natural gas production

(Reuters; May 5) - European Union countries' energy ministers will take the unusual step of discussing domestic natural gas production next week, as governments seek ways to limit the economic impact of the Iran war, an internal document seen by Reuters showed. The EU relies on gas imports — which cover about 80% of its needs — and has been highly exposed to the surge in international energy prices after the Middle Eastern conflict has led to unprecedented disruption.

Since U.S.-Israeli airstrikes started the war at the end of February, Brussels has said it remains committed to its plan to improve Europe's energy security and achieve goals to reduce climate-warming emissions by replacing fossil fuels with clean energy and reducing its exposure to volatile oil and gas markets. However, a preparatory document for a meeting of EU energy ministers next week, seen by Reuters, showed countries also plan to discuss domestic gas production.

The document is prepared by Cyprus, which holds the EU's rotating presidency. Cyprus has offshore natural gas reserves. "Given the current price shocks and the volatility of the global LNG market, how do you see the role of indigenous gas resources to act as a collective mechanism for price stability for the entire Union?" the document asks. It says

the challenge is to incentivize the use of domestic reserves "without locking us into carbon-intensive systems that undermine our long-term climate goals.”