

China Natural Gas, Inc.
Form 8-K
April 10, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF EARLIEST REPORTED EVENT: January 29, 2009

CHINA NATURAL GAS, INC.
(Exact name of Registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-31539 (Commission File Number)	98-0231607 (IRS Employer Identification Number)
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19th Floor, Building B, Van Metropolis
Tang Yan Road, Hi-Tech Zone
Xian, 710065, Shaanxi Province
China

(Address of principal executive offices)

86-29-88323325
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act
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Item 3.03 Material Modification to Rights of Security Holders

On January 29, 2009, the Company downwardly adjusted the per share exercise price of warrants to purchase common stock of the Company (the "Warrants") from \$7.3652 to \$3.6826. The Warrants were issued pursuant to the Warrants Agreement dated as of January 29, 2008 (the "Warrant Agreement") by and among the Company, Deutsche Bank AG, Hong Kong Branch as Warrant Agent and Deutsche Bank Luxembourg S.A. as Warrant Registrar. Pursuant to the Warrant Agreement, the exercise price of the Warrants is adjusted on the first anniversary of issuance and thereafter, at every six month anniversary beginning in the fiscal year 2009 if the volume weighted average price, or VWAP for the 15 trading days prior to the applicable reset date is less than the then applicable exercise price, in which case the exercise price shall be adjusted downward to the then current VWAP; provided however, that in no event shall the exercise price be adjusted below \$3.6826 per share.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

Exhibit Number	Description
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99.1	Warrant Agreement (incorporated by reference to Exhibit 99.4 to Current Report on Form 8-K filed on January 31, 2008).
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CHINA NATURAL GAS, INC.

Date: April 10, 2008

By: /s/ Qinan Ji
Qinan Ji
Chief Executive Officer