Yang Xiang Dong
Form 4
June 02, 2010

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Yang Xiang Dong

(Last) (First) (Middle)

C/O ABAX GLOBAL CAPITAL (HONG KONG) LTD., S6708, 67F, 2 INTL FIN CTR, 8 FINANCE ST

(Street)

CENTRAL HONG KONG, K3 SAR

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
China Natural Gas, Inc. [CHNG]

3. Date of Earliest Transaction (Month/Day/Year)
04/12/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
_X_ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities	8. Pri Deriv

Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr. 8)		Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)		Secu (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Call Option (right to buy)	$ 15	04/12/2010		S		129		(1)	09/18/2010	Common Stock	12,900	$ 0.
Put Option (right to sell)	$ 5	04/12/2010		P		129		(1)	09/18/2010	Common Stock	12,900	$ 0.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Yang Xiang Dong C/O ABAX GLOBAL CAPITAL (HONG KONG) LTD. S6708, 67F, 2 INTL FIN CTR, 8 FINANCE ST CENTRAL HONG KONG, K3 SAR	X	X		
Abax Lotus Ltd. C/O ABAX GLOBAL CAPITAL (HONG KONG) LTD. S6708, 67F, 2 INTL FIN CTR, 8 FINANCE ST CENTRAL HONG KONG, K3 SAR		X		
Abax Nai Xin A Ltd. SUITE 6708/F, TWO INT'L. FINANCE CTR. 8 FINANCE STREET HONG KONG, K3 0000000000		X		
Abax Jade Ltd. SUITE 6708/F, TWO INT'L. FINANCE CTR. 8 FINANCE STREET HONG KONG, K3 0000000000		X		
Abax Global Opportunities Fund C/O ABAX GLOBAL CAPITAL (HONG KONG) LTD. S6708, 67F, 2 INTL FIN CTR, 8 FINANCE ST CENTRAL HONG KONG, K3 SAR		X		
		X		

Abax Arhat Fund SUITE 6708/F, TWO INT'L. FINANCE CTR. 8 FINANCE STREET HONG KONG, K3 0000000000	
Abax Upland Fund LLC SUITE 6708/F, TWO INT'L. FINANCE CTR. 8 FINANCE STREET HONG KONG, K3 0000000000	X
Abax Global Capital C/O ABAX GLOBAL CAPITAL (HONG KONG) LTD. S6708, 67F, 2 INTL FIN CTR, 8 FINANCE ST CENTRAL HONG KONG, K3 SAR	X
Abax Claremont Ltd. C/O ABAX GLOBAL CAPITAL (HONG KONG) LTD. S6708, 67F, 2 INTL FIN CTR, 8 FINANCE ST CENTRAL HONG KONG, K3 0000000000	X

Signatures

/s/ Xiang Dong Yang	05/28/2010
**Signature of Reporting Person	Date
/s/ Xiang Dong Yang, Director of Abax Lotus Ltd.	05/28/2010
**Signature of Reporting Person	Date
/s/ Xiang Dong Yang, Director of Abax Global Opportunities Fund	05/28/2010
**Signature of Reporting Person	Date
/s/ Xiang Dong Yang, Director of Abax Arhat Fund	05/28/2010
**Signature of Reporting Person	Date
/s/ Xiang Dong Yang, Director of Abax Upland Fund LLC	05/28/2010
**Signature of Reporting Person	Date
/s/ Xiang Dong Yang, Director of Abax Global Capital	05/28/2010
**Signature of Reporting Person	Date
/s/ Xiang Dong Yang, Director of Abax Claremont Ltd.	05/28/2010
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The options are immediately exercisable.

(2) Owned directly by Abax Lotus Ltd. See Remarks.

Remarks:

Remarks: Exhibit 99.1 (Joint Filer Information) is incorporated herein by reference. Abax Nai Xin A Ltd. and Abax Jade Ltd. are parties to an investor rights agreement with certain shareholders of the Issuer, and if they are deemed to be a "group" by virtue of such arrangement, such group may be deemed a greater than 10% owner. The Reporting Persons expressly discla

beneficial ownership of the securities of the Issuer that are owned by such shareholders. Abax Global Opportunities Fund (the "Fund"), is the sole shareholder of each of Abax Lotus Ltd., Abax Nai Xin A Ltd. and Abax Jade Ltd.; Abax Arhat Fund ("Arhat") and Abax Upland Fund LLC ("Upland"), together own 100% of the Fund; Abax Global Capital (the "Arhat Shareho is the managing shareholder of Arhat; Abax Claremont Ltd. (the "Upland Managing Member"), is the managing member of U and Mr. Yang is the controlling member of the Arhat Shareholder and the Upland Managing Member. Each of the Reporting Persons disclaims beneficial ownership except to the extent of its or his pecuniary interest therein.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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