CHENIERE ENERGY INC

Form 4

January 05, 2006

FORM 4

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

OMB Number: 3235-0287

burden hours per

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005
Estimated average

OMB APPROVAL

Form 4 or Form 5 obligations may continue. See Instruction

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

response... 0.5

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person ** GROSS JONATHAN S			2. Issuer Name and Ticker or Trading Symbol CHENIERE ENERGY INC [LNG]					5. Relationship of Reporting Person(s) to Issuer		
(Last)	(First)	(Middle)		f Earliest T		_	-	(Chec	ck all applicable	;)
717 TEXAS AVENUE, SUITE 3100			(Month/Day/Year) 01/03/2006					Director 10% Owner _X_ Officer (give title Other (specify below) Senior Vice President		
(Street)			4. If Ame	4. If Amendment, Date Original				6. Individual or Joint/Group Filing(Check		
HOUSTON, TX 77002			Filed(Month/Day/Year)					Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		
(City)	(State)	(Zip)	Tabl	le I - Non-l	Derivative	Secur	ities Acqu	uired, Disposed o	f, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Da (Month/Day/Year	Execution any	emed 3. 4. Securities Acquired on Date, if Transaction(A) or Disposed of (D. Code (Instr. 3, 4 and 5) (Day/Year) (Instr. 8) (A) or		of (D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
C				Code V	Amount	(D)	Price	(Instr. 3 and 4)		
Common Stock	01/03/2006			A	8,486	A	\$ 0 (1)	310,992	D	
Common Stock	01/03/2006			M	16,666	A	\$ 0.625	327,658	D	
Common Stock	01/04/2006			S	400	D	\$ 37.6	327,258	D	
Common Stock	01/04/2006			S	600	D	\$ 37.56	326,658	D	
Common Stock	01/04/2006			S	1,600	D	\$ 37.54	325,058	D	

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Common Stock	01/04/2006	S	7,400	D	\$ 37.5 317,658	D
Common Stock	01/04/2006	S	6,666	D	\$ 37.6 310,992	D

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 Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. 5. Number of TransactionDerivative Code Securities (Instr. 8) Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Derivative Expiration Date Securities (Month/Day/Year) Acquired (A) or Disposed of (D) (Instr. 3, 4,		te	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to buy)	\$ 0.625	01/03/2006		M		16,666	12/19/2005	12/19/2007	Common Stock	16,666

Reporting Owners

Reporting Owner Name / Address	Relationships							
·r···	Director	10% Owner	Officer	Other				
GROSS JONATHAN S								
717 TEXAS AVENUE								
SUITE 3100		Senior Vice President						
HOUSTON, TX 77002								

Signatures

Jonathan S. Gross	01/05/2006		
**Signature of Reporting Person	Date		

Reporting Owners 2

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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 shares were issued as a restricted stock grant and therefore no consideration was given by the Reporting Person. The stock grant vests in three equal installments on January 3, 2007, 2008 and 209.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.