

3,085,039

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,085,039

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

N/A

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

5.6%

12 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTION BEFORE FILLING OUT!

CUSIP No. 16411R208

13G

Page 3 of 9 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Gandhara Master Fund Limited

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) []
(b) [X]

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

5 SOLE VOTING POWER

0

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

6 SHARED VOTING POWER

3,085,039

7 SOLE DISPOSITIVE POWER

0

8 SHARED DISPOSITIVE POWER

3,085,039

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,085,039

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

N/A

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

5.6%

12 TYPE OF REPORTING PERSON*

CO

*SEE INSTRUCTION BEFORE FILLING OUT!

CUSIP No. 16411R208

13G

Page 4 of 9 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Davide Erro

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) [X]

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

0

6 SHARED VOTING POWER

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 3,085,039

7 SOLE DISPOSITIVE POWER

0

8 SHARED DISPOSITIVE POWER

3,085,039

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,085,039

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

N/A

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

5.6%

12 TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTION BEFORE FILLING OUT!

Item 1(a): Name of Issuer:

The name of the issuer is Cheniere Energy, Inc., a Delaware corporation (the "Company").

Item 1(b): Address of Issuer's Principal Executive Offices:

The Company's principal executive office is located at 717 Texas Avenue, Suite 3100, Houston, Texas, 77002.

Item 2(a): Name of Person Filing:

This Schedule 13G is filed by:

- (i) Gandhara Advisors Europe LLP, a limited liability partnership incorporated in England and Wales (the "European Investment Manager"), which serves as an investment manager to the Master Fund (defined below), with respect to shares of Common Stock (as defined in Item 2(d)) directly owned by the Master Fund.
- (ii) Gandhara Master Fund Limited, an exempted company incorporated with limited liability in the Cayman Islands (the "Master Fund"), with respect to the shares of Common Stock directly held by it;
- (iii) Mr. Davide Erro ("Mr. Erro"), who is a partner of the European Investment Manager and therefore shares control over its business activities, with respect to shares of

Common Stock indirectly beneficially owned by Mr. Erro by virtue of such position.

The European Investment Manager, the Master Fund and Mr. Erro are hereinafter sometimes collectively referred to as the "Reporting Persons." Any disclosures herein with respect to persons other than the Reporting Persons are made on information and belief after making inquiry to the appropriate party.

Item 2(b): Address of Principal Business Office or, if None, Residence:

The address of the principal business office of each of the Reporting Persons is 6th Floor, 65 Curzon Street, London W1J 8PE, England.

Item 2(c): Citizenship:

The European Investment Manager is incorporated as a limited liability partnership under the laws of the England and Wales. The Master Fund is incorporated with limited liability in the Cayman Islands. Mr. Erro is a United States citizen.

Item 2(d): Title of Class of Securities:

Common Stock, \$0.003 par value ("Common Stock").

Item 2(e): CUSIP Number:

16411R208

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Item 3: If this statement is filed pursuant to Rules 13d-1(b) or

13d-2(b) or (c), check whether the person filing is a:

- A. Broker or dealer registered under Section 15 of the Act,
- B. Bank as defined in Section 3(a)(6) of the Act,
- C. Insurance Company as defined in Section 3(a)(19) of the Act,
- D. Investment Company registered under Section 8 of the Investment Company Act of 1940,
- E. Investment Adviser in accordance with Rule 13d-1 (b)(1)(ii)(E),
- F. Employee Benefit Plan or Endowment Fund in accordance with 13d-1 (b)(1)(ii)(F),
- G. Parent Holding Company or control person in accordance with Rule 13d-1 (b)(1)(ii)(G),
- H. Savings Association as defined in Section 3(b) of the Federal Deposit Insurance Act,
- I. Church Plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act of 1940,
- J. Group, in accordance with Rule 13d-1(b)(1)(ii)(J).

Item 4: Ownership:

The beneficial ownership of Common Stock by the Reporting Persons, as of the date of this Schedule 13G, is as follows:

A. Gandhara Advisors Europe LLP

- (a) Amount beneficially owned: 3,085,039.
- (b) Percent of class: 5.6%. The percentages used herein and in the rest of this Schedule 13G are calculated based upon a total of 54,935,191 shares of Common Stock stated to be issued and outstanding as of June 30, 2006, as reflected in the Company's Quarterly Report on Form 10-Q filed on August 4, 2006.
- (c) Number of shares as to which such person has:
 - (i) Sole power to vote or direct the vote: 0
 - (ii) Shared power to vote or direct the vote: 3,085,039
 - (iii) Sole power to dispose or direct the disposition: 0
 - (iv) Shared power to dispose or direct the disposition: 3,085,039

B. Gandhara Master Fund Limited

- (a) Amount beneficially owned: 3,085,039.
- (b) Percent of class: 5.6%.

- (c) Number of shares as to which such person has:
- (i) Sole power to vote or direct the vote: 0
 - (ii) Shared power to vote or direct the vote: 3,085,039
 - (iii) Sole power to dispose or direct the disposition: 0
 - (iv) Shared power to dispose or direct the disposition: 3,085,039

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C. Davide Erro

-
- (a) Amount beneficially owned: 3,085,039.
 - (b) Percent of class: 5.6%.
 - (c) Number of shares as to which such person has:
 - (i) Sole power to vote or direct the vote: 0
 - (ii) Shared power to vote or direct the vote: 3,085,039
 - (iii) Sole power to dispose or direct the disposition: 0
 - (iv) Shared power to dispose or direct the disposition: 3,085,039

Item 5: Ownership of Five Percent or Less of a Class:

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following: []

Item 6: Ownership of More than Five Percent on Behalf of Another Person:

Other than as set forth herein, no other person has the right to receive or the power to direct the receipt of dividends from, or proceeds from the sale of, in excess of 5% of the total outstanding Common Stock.

Item 7: Identification and Classification of the Subsidiary Which Acquired the

Security Being Reported on by the Parent Holding Company:

Not applicable.

Item 8: Identification and Classification of Members of the Group:

Not applicable.

Item 9: Notice of Dissolution of Group:

Not applicable.

Item 10: Certification:

Each of the Reporting Persons hereby makes the following certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: October 17, 2006

GANDHARA ADVISORS EUROPE LLP

By: /s/ Davide Erro

Name: Davide Erro
Title: Partner

GANDHARA MASTER FUND LIMITED

By: /s/ Davide Erro

Name: Davide Erro
Title: Director

/s/ Davide Erro

Davide Erro

[SIGNATURE PAGE TO SCHEDULE 13G WITH RESPECT TO CHENIERE ENERGY, INC.]

EXHIBIT INDEX

Exhibit 99.1: Joint Filing Agreement, dated October 17, 2006,
by and between Gandhara Advisors Europe LLP, Gandhara
Master Fund Limited and Davide Erro.

JOINT FILING AGREEMENT
PURSUANT TO RULE 13d-1(k) (1)

The undersigned acknowledge and agree that the foregoing statement on Schedule 13G is filed on behalf of each of the undersigned and that all subsequent amendments to this statement on Schedule 13G shall be filed on behalf of each of the undersigned without the necessity of filing additional joint filing agreements. The undersigned acknowledge that each shall be responsible for the timely filing of such amendments, and for the completeness and accuracy of the information concerning it contained therein, but shall not be responsible for the completeness and accuracy of the information concerning the others, except to the extent that it knows or has reason to believe that such information is inaccurate. This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall constitute one and the same instrument.

Dated: October 17, 2006

GANDHARA ADVISORS EUROPE LLP

By: /s/ Davide Erro

Name: Davide Erro
Title: Partner

GANDHARA MASTER FUND LIMITED

By: /s/ Davide Erro

Name: Davide Erro
Title: Director

/s/ Davide Erro

Davide Erro