

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 Report (Date of earliest event reported): May 19, 1998

Cheniere Energy, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

0-9092

(Commission File Number)

95-4352386

(IRS Employer Identification No.)

Two Allen Center
1200 Smith Street Suite 1740
Houston, Texas

77002-4312

(Address of principal executive office)

(Zip code)

Registrant's telephone number, including area code: (713) 659-1361

None

(Former name or former address, if changed since last report)

Item 4. Changes in Registrant's Certifying Accountant

Cheniere Energy, Inc. ("Cheniere" or the "Company") is a development stage company, which has for the past two years focused its business activities on the acquisition of 3D seismic information, the processing of that information and the interpretation of that data to identify oil and gas prospects which might be drilled in order to discover and produce oil and gas. As Cheniere enters the lease acquisition and drilling phases of its exploration project, it anticipates an increasing level of activity and it contemplates accessing the public securities markets to satisfy its capital requirements. Accordingly, the Company has elected to engage a Big Six accounting firm, Price Waterhouse LLP, to serve as its independent accountants effective May 19, 1998. The independent accountants of the Company for the most recent two fiscal years, Merdinger, Fruchter, Rosen & Corso, P.C. ("MFRC"), have been replaced by the Company effective May 19, 1998. The decision to change accountants was recommended by the Company's audit committee and approved by its board of directors.

The reports of MFRC on the financial statements for the past two fiscal years did not contain an adverse opinion or a disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope, or accounting principles. During the two most recent fiscal years, and the interim periods prior to the replacement of MFRC there were no disagreements with MFRC on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure which, if not resolved to the satisfaction of MFRC, would have caused MFRC to make reference to the subject matter of disagreement in connection with its report.

During the two most recent fiscal years, and the interim periods prior to the replacement of MFRC, the Company had no relationship with Price Waterhouse LLP.

Item 7. Financial Statements and Exhibits

(c) Exhibits

Exhibit No.	Description
- - - - -	- - - - -
16	Letter from Merdinger, Fruchter, Rosen & Corso, P.C.

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 thereunto duly authorized.

CHENIERE ENERGY, INC.

By: /s/ DON A. TURKLESON

Don A. Turkleson
Chief Financial Officer,
Treasurer and Secretary

Date: May 22, 1998

[Letterhead of Merdinger, Fruchter, Rosen & Corso, P.C.]

May 20, 1998

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, DC 20549

RE: Cheniere Energy, Inc.
File Ref. No. 0-9092

We were previously the principal accountants for Cheniere Energy, Inc., and under the date of September 12, 1997, we reported on the consolidated financial statements of Cheniere Energy, Inc. and Subsidiaries as of and for the year and initial period ended August 31, 1997 and 1996, respectively. On May 19, 1998 our appointment as principal accountants was terminated. We have read Cheniere Energy, Inc.'s statements included under Item 4 of its Form 8-K dated May 19, 1998, and we agree with such statements.

Very truly yours,

/s/ Merdinger, Fruchter, Rosen & Corso, P.C.

Merdinger, Fruchter, Rosen & Corso, P.C.
Certified Public Accountants