

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): July 3, 1996

CHENIERE ENERGY, INC.
(f/k/a Bexy Communications, Inc.)
(Exact name of Registrant as specified in its charter)

Delaware	2-63115	95-4352386
(State of incorporation)	(Commission file number)	(I.R.S. employer identification number)

Two Allen Center 1200 Smith Street, Suite 1710 Houston, Texas (Address of principal executive offices)	77002 (Zip code)
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Registrant's Telephone Number,
Including Area Code: (713) 659-1361

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ITEM 1. CHANGES IN CONTROL OF REGISTRANT.

On July 3, 1996, in connection with the reorganization of the Company (the "Reorganization"), the Company issued shares of its common stock, \$.003 par value per share (the "Common Stock"), representing approximately 93% of the issued and outstanding shares of capital stock of the Company, in exchange (the "Exchange") for all of the issued and outstanding shares of common stock of Cheniere Energy Operating Co., Inc. ("Operating"). Following the consummation of the Exchange, BSR Investments, Ltd., a British Virgin Islands corporation ("BSR"), and William D. Forster, an individual ("Forster"), owned 2,602,000 and 2,846,211 shares of Common Stock, representing 29.4% and 32.2% of the approximately 8,843,375 total outstanding shares of Common Stock, respectively. In addition, at the special meeting of the stockholders of the Company called held on July 2, 1996 to approve the Reorganization (the "Special Meeting"), the stockholders of the Company elected three directors nominated by Operating, including Forster; and at a meeting of the Board of Directors of the Company following the special meeting of stockholders, an additional director and officers of the Company were elected by the Board, including the election of Forster as President and Chief Executive Officer of the Company.

In connection with the Reorganization of the Company, at the Special Meeting, the stockholders approved certain amendments to the Company's certificate of incorporation, as set forth in the amended and restated certificate of incorporation of the Company (the "Amended and Restated Certificate of Incorporation"), including the change of the name of the

Company to Cheniere Energy, Inc., changes in the capitalization of the Company, and the addition of certain provisions to limit the liability of the Company's directors and to provide for indemnification of the officers and directors of the Company to the fullest extent permitted by Delaware law.

BSR may be deemed to control the Company because of the amount of shares of Common Stock it owns and Forster may be deemed to control the Company because of a director and the amount of shares of Common Stock he owns and by virtue of his offices as a director and President and Chief Executive Officer of the Company.

Prior to the consummation of the Exchange, Buddy Young, an individual ("Young"), owned 57% of the Company's capital stock and held the offices of President and Chief Executive Officer and thus was deemed to control the Company. In connection with the consummation of the Reorganization (the "Closing"), Young resigned all of his offices with the Company and following the issuance of shares of Common Stock to the former stockholders of Operating his ownership of the total issued and outstanding shares of Common Stock was reduced to 4%.

Under the agreement and plan of reorganization dated as of April 16, 1996 (the "Reorganization Agreement") among the Company, Operating, the stockholders of Operating and Young, Young agreed to vote his shares in favor of the Reorganization and

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the other matters before the Special Meeting, including the election of the nominees of Operating as directors of the Company.

At the Closing, Young entered into a consulting agreement (the "Consulting Agreement") with the Company having a two year term and providing for payments of \$75,000 per annum, pursuant to which Young will provide the Company with advice and assistance regarding the transition of ownership and shareholder relations. In addition, at the Closing, Young and the Company entered into agreements providing that Young will not sell more than 10,000 shares of Common Stock per month for a nine-month period after the Closing (the "Limited Lock-Up Agreement") and that the Company will not engage in a reverse stock split, other than as contemplated by the Reorganization Agreement, for an eighteen-month period after the Closing (the "Agreement Regarding No Reverse Splits").

Pursuant to the Reorganization Agreement, in connection with the Closing, Young entered into an indemnification agreement with the Company and Operating (the "Indemnification Agreement") pursuant to which Young agreed to indemnify the Company, Operating, and the stockholders of Operating against any cost, expense or other liability that any of them may suffer arising as the result of or in connection with (i) the operation of the business of the Company prior to the Closing, (ii) any untrue statement or omission of material fact made by or with respect to the Company or Young in the proxy statement provided to the stockholders in connection with the Special Meeting or the registration under the Securities Exchange Act of 1934 (the "Exchange Act") registering the stock of Mar Ventures, Inc., a wholly-owned subsidiary of the Company, the shares of which were distributed to the stockholders of record of the Company as of May 15, 1996 as part of the Reorganization (the "Divestiture"), and (iii) any tax liability arising out of or in connection with the consummation of the transactions contemplated by the Divestiture.

The Reorganization Agreement, the Amended and Restated Certificate of Incorporation, the Consulting Agreement, the Limited Lock-Up Agreement, the Agreement Regarding No Reverse Splits and the Indemnification Agreement are Exhibits 2, 3, 10(a), 10(b), 10(c) and 10(d) hereto and are incorporated herein by reference. The discussion in this Report of such Exhibits is qualified in its entirety by reference to such Exhibits.

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS.

On July 3, 1996, in connection with the Reorganization, and following the consummation of the Exchange, the Company acquired from the stockholders of Operating, all of the issued and outstanding capital stock of Operating, a company engaged in the business of exploring for oil and gas reserves, in exchange for shares of Common Stock representing approximately 93% of the then issued and outstanding Common Stock. On the date of the

Closing, the assets of Operating acquired by the Company consist primarily of cash and Operating's rights with respect to a 50% working interest participation in the leasing and drilling of all prospects generated by Zydeco Exploration, Inc. ("Exploration") in a specified area pursuant to a certain Exploration Agreement dated April 4, 1996 (the "Exploration Agreement") between Operating and Exploration.

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See "Item 7. Financial Statements, Pro Forma Financial Information and Exhibits" with respect to financial statements for Operating, pro forma financial information and copies of the Reorganization Agreement, being the agreement relating to the acquisition.

ITEM 5. OTHER MATTERS.

Election of Additional Officer and Director

At a meeting of the Board of Directors of the Company held on July 2, 1996 immediately following the Special Meeting, Walter L. Williams, 68, was elected to the full time position of Vice-Chairman of the Company. Prior to joining the Company, Williams spent 32 years as a founder and later Chairman and Chief Executive Officer of Texoil, Inc., a publicly-held oil and gas exploration and production company conducting business off the Gulf Coast of Mexico. Prior to that time he was an independent petroleum consultant. He received a Bachelor of Science degree in petroleum engineering from Texas A&M University in 1949 and is a Registered Engineer in the states of Louisiana and Texas.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(a) Financial Statements of Business Acquired. Incorporated by reference to pages F-17 to F-23 of the Company's definitive proxy statement filed with the Securities Exchange Commission on June 10, 1996.

(b) Pro Forma Financial Information. Incorporated by reference to pages F-24 to F-26 of the Company's definitive proxy statement filed with the Securities Exchange Commission on June 10, 1996.

(c) Exhibit Index. See Exhibit Index.

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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 duly authorized.

CHENIERE ENERGY, INC.

By:/s/WILLIAM D. FORSTER

William D. Forster
President and Chief Executive Officer

Dated: July 16, 1996

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INDEX OF EXHIBITS

Exhibit No. -----	Description -----	Page of this Report -----
2	Reorganization Agreement	*
3	Amended and Restated Certificate of Incorporation	**
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10(b)	Indemnification Agreement	13
10(c)	Limited Lock-Up Agreement	18
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* Incorporated by reference to Exhibit B to the definitive proxy statement of the Company filed with the Securities and Exchange Commission on June 10, 1996.

** Incorporated by reference to Exhibit A to the definitive proxy statement of the Company filed with the Securities and Exchange Commission on June 10, 1996.

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CONSULTING AGREEMENT

CONSULTING AGREEMENT (this "Agreement"), made as of the 2nd day of July, 1996, by and between CHENIERE ENERGY, INC. (f/k/a BEXY Communications, Inc.), a Delaware corporation (the "Company"), and BUDDY YOUNG, an individual ("Consultant").

W I T N E S S E T H:

WHEREAS, Consultant is experienced in the management and operation of a public companies; and

WHEREAS, the Company desires to engage the Consultant to provide management of the Company with certain advice regarding the management and business of the Company, upon the terms and subject to the conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

I. TERM The Company hereby agrees to retain Consultant as a consultant to the management of the Company and Consultant hereby accepts and agrees to serve in such capacity, for a period of two (2) years commencing as of the date hereof unless sooner terminated as herein provided (the "Term").

II. DUTIES A. Consultant shall make himself available for consultation with the management of the Company concerning the business and operation of the Company and shall agree

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to provide consultation and advice with respect to such other matters as the Company may request. Such services shall be performed by Consultant only after the Company has made a specific request therefor.

B. Consultant may perform his duties hereunder by use of telephone, telefax or other means of telecommunication. Consultant shall not be required to maintain a physical presence at the Company's offices, but shall be required to use his reasonable best efforts attend meetings of the Board of Directors of the Company in person or by telephone and upon reasonable prior notice.

III. COMPENSATION

A. For and in consideration of and in full payment for the services to be rendered by Consultant to the Company during the Term, the Company agrees to pay Consultant a consulting fee of \$75,000 per annum payable in monthly installments on the first day of each month during the Term or in such other installments as the parties may mutually agree upon.

B. The Company shall reimburse Consultant for its his reasonable expenses incurred in connection with performance of its duties hereunder, including, but not limited to, expenses related to travel, lodging and meals under Section 2(b) above, promptly after receipt of backup invoices and receipts therefor; provided, however, that Consultant shall not incur any expenses relating to the performance of its duties hereunder without obtaining the prior written approval of the Company.

IV. INDEPENDENT CONTRACTOR; NON-EXCLUSIVE

A. It is understood and agreed that Consultant is, and shall at all times during the Term be deemed to be an independent contractor, and nothing in this Agreement shall in any way be deemed or construed to constitute Consultant as an agent or employee of the Company

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nor shall Consultant have the right or authority to act as, incur, assume or create any obligation, responsibility or liability, express or implied, in the name of or on behalf of the Company or to bind the Company in any manner whatsoever or sign any documents on its behalf. Subject to Sections 2 and 3(b) hereof, Consultant shall determine in its sole discretion the method, details and means of performing its duties hereunder, and the Company shall have no right to control or direct the foregoing.

B. The consulting services to be rendered hereunder will not be exclusive to either party. Consultant may engage in such other activities, consulting or otherwise, as consultant in its sole discretion deems appropriate. Similarly, the Company may retain other consultants in its sole discretion.

V. WITHHOLDING TAX

The Company shall not be responsible for withholding from any payments made to Consultant hereunder any contributions levied by any state or federal statutes relating to social security or similar benefits.

VI. TERMINATION

Consultant's services hereunder may be terminated by the Company only under the following circumstances:

A. Death. In the event Consultant dies during the Term; the Term shall terminate upon his death.

B. Cause. The Company may, at any time, terminate this Agreement for cause upon thirty (30) days' written notice of termination to Consultant. "Cause" shall mean that there has been a final, non-appealable determination by a court of competent jurisdiction that

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Consultant has committed civil or criminal embezzlement, theft or other dishonest or fraudulent acts, materially adversely affecting the Company.

If this Agreement shall be terminated for Cause, the Company shall have no further obligations to Consultant as of the date of termination.

VII. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties with respect to Consultant's consultancy with the Company during the Term, including, but not limited to, any agreement with respect to remuneration, fees, payments or benefits of any kind payable to Consultant with respect to such consultancy, and, other than Article XVII of the Purchase Agreement relating to arbitration of disputes, there is no other agreement between the parties with respect to the subject matter hereof, written or oral, other than as provided hereby. This Agreement may not be amended, modified, supplemented

or discharged except by a writing duly executed by the parties hereto.

VIII. NOTICES

Any notices or other communications required or permitted hereunder shall be sufficiently given if delivered personally or three (3) days after being sent by registered or certified mail, return receipt requested, postage prepaid, or transmitted by telecopy with oral confirmation, addressed as follows or to such other address of which the parties may have given notice in accordance with this Section 6.4:

If to Consultant:

16661 Ventura Boulevard, Suite 214
Encino, CA 91436
Attn: Mr. Buddy Young, President & CEO
Fax: (818) 784-8660

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With a copy to:

Hand & Hand
24901 Dana Point
Harbor Drive, Suite 200
Dana Point, CA 92629
Attn: Jehu Hand, Esq.
Fax: (714) 489-0034

If to the Company:

Cheniere Energy, Inc.
Two Allen Center
1200 Smith Street, Suite 1710
Houston, Texas 77002
Attn: Mr. William D. Forster
Fax: (713) 659-5459

with a copy to:

Whitman Breed Abbott & Morgan
200 Park Avenue
New York, NY 10166
Attn: Robert C. Brighton, Jr., Esq.
Fax: (212) 351-3131

IX. WAIVER

The waiver by either party hereto of the breach of any provision of this Agreement by the other party hereto shall not operate or be construed as a waiver or any other provision hereof or of any subsequent breach by such other party.

X. SEVERABILITY

If any provision of this Agreement shall be held to be invalid or unenforceable, the other provisions of this Agreement shall not be affected thereby and this Agreement shall be construed as if the provision held to be invalid or unenforceable had never been contained herein and such provision shall be reformed and redrawn only to the extent necessary so as to be valid and enforceable under applicable law.

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XI. SUCCESSORS

This Agreement shall be binding upon and shall inure to the benefit of the Company and any successor of the Company, and any such successor shall be deemed substituted for the Company under the provisions of this Agreement. As used herein, the term "successor" shall mean any person, firm, corporation or other business entity which at any time, whether by merger, purchase, liquidation or otherwise, acquires all or substantially all of the assets or business at the Company. Consultant may assign its rights and delegate its obligations hereunder to a consulting corporation wholly-owned by Consultant and otherwise reasonably acceptable to the Company.

XII. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to the conflict of law provisions thereof.

IN WITNESS WHEREOF, the parties hereto have signed and delivered this Agreement on the date first above written.

THE COMPANY:

CHENIERE ENERGY, INC.

By: _____
William D. Forster, President

CONSULTANT:

Buddy Young, individually

INDEMNIFICATION AGREEMENT

INDEMNIFICATION AGREEMENT (this "Agreement") made as of July 2, 1996, by BUDDY YOUNG, an individual having an address at 16661 Ventura Boulevard, Suite 214, Encino, California 91436 ("Young"), in favor of Cheniere Energy Operating Co., Inc. ("Cheniere"), a corporation formed and existing under the laws of the State of Delaware, having an address at Two Allen Center, 1200 Smith Street, Suite 1710, Houston, Texas 77002; the Stockholders of Cheniere listed on Schedule A attached to the Reorganization Agreement (as defined below) (collectively, the "Cheniere Stockholders"); and Cheniere Energy, Inc. (f/k/a BEXY Communications, Inc.), a corporation formed and existing under the laws of the State of Delaware (the "Company"), having an address at Two Allen Center, 1200 Smith Street, Suite 1710, Houston, Texas 77002. Capitalized terms used herein without definition shall have the same meanings as ascribed to them in the Reorganization Agreement (as defined below).

W I T N E S S E T H:

WHEREAS, the parties have entered into a certain Agreement and Plan of Reorganization dated April 16, 1996 (the "Reorganization Agreement"), pursuant to which, prior to or concurrently with the execution and delivery of this Agreement, among other things, (i) the Company has assigned and transferred substantially all of the assets and business of the Company, subject to liabilities, to Mar Ventures, Inc. ("Newco") and distributed the shares of Newco to its stockholders (the "Divestiture") and (ii) the Cheniere Stockholders have exchanged their Cheniere Shares for shares of the BEXY Stock; and

WHEREAS, in order to obtain the approval of the stockholders of the Company to the Reorganization and to register the stock of Newco under the Securities Exchange Act of 1934 (the "Exchange Act"), the Company has caused to be prepared and filed with the Securities and Exchange Commission (the "SEC") the Proxy Materials and the Registration Statement, respectively; and

WHEREAS, in order to induce Cheniere and the Cheniere Stockholders to enter into the Reorganization Agreement, Young has agreed to indemnify the Company, Cheniere and the Cheniere Stockholders from and against certain Claims (as hereinafter defined) described below; and

WHEREAS, it is in the interest and to the direct or indirect benefit of Young and the stockholders of the Company for Cheniere and the Cheniere Stockholders to enter into the Reorganization Agreement and consummate the Acquisition and the other transactions contemplated by the Reorganization Agreement.

NOW, THEREFORE, in consideration of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Young agrees as follows:

1. INDEMNIFICATION. (a) Young unconditionally and irrevocably indemnifies and agrees to indemnify and hold harmless the Company, Cheniere and the Cheniere Stockholders and their respective officers, directors, attorneys and other agents (the "Cheniere Indemnified Parties") from and against all Claims (as hereinafter defined) which any Cheniere Indemnified Party may suffer, incur, or pay arising under or incurred in connection with

(i) the operation of the business of the Company prior to the Closing, (ii) any error or omission with respect to a material fact stated or required to be stated in the Proxy Materials or the Registration Statement with respect to the Company prior to the Closing and (iii) any Taxes (as defined below) (individually, a "Claim" and collectively, the "Claims").

(b) The indemnity given by the Indemnitor is a guaranty to pay fully and promptly all sums due with respect to any and all Claims and is not a guaranty of collection only. None of the Company, Cheniere and the Cheniere Stockholders shall be required to exhaust any right or remedy or take any action against any other person or any collateral. All suretyship defenses that Young has or may have under applicable law are hereby expressly waived and relinquished by Young. Without limiting any of the foregoing, Young hereby waives presentment, notice of dishonor, nonperformance or nonpayment, protest and notice of protest, any other notice of every kind or nature and diligence in bringing suit or taking any other action on account of nonpayment of any Claim, and consents to any modification, amendment or addition to the Reorganization Agreement and agrees that notwithstanding any such modification, amendment or addition, this Agreement shall remain in full force and effect in all respects. Further, and without limiting any of the foregoing, Young further waives the benefit of any statute of limitations affecting Young's liability under this Agreement or the enforcement thereof for so long as the underlying obligation is subject to being enforced, and Young agrees that any payment of any amounts due with respect to any Claims or other act which shall toll any statute of limitations applicable thereto shall similarly operate to toll the statute of limitations applicable to Young's liability under this Agreement. Young warrants and agrees that each of the foregoing waivers are made with Young's full knowledge of their significance and consequences, and that under the circumstances, the waivers are reasonable and not contrary to public policy or law. If any of said waivers are determined to be contrary to any applicable law or public policy, such waivers shall be effective only to the maximum extent permitted by law. Young hereby agrees to the jurisdiction of any court in which jurisdiction is obtained against Young with respect to any Claim. Young acknowledges that there are no conditions precedent to the effectiveness of this Agreement, and this Agreement is in full force and effect and is binding on Young as of the date hereof.

(c) For purposes of this Agreement, "Tax" or "Taxes" means all United States federal, state, local or foreign income, profits, franchise, sales, property, excise, value added, estimated, stamp, alternative or add-on minimum, environmental, withholding, and other taxes, assessments, duties, fees and governmental charges or impositions of each and every kind, together with all interest, penalties, and additions imposed with respect to such amounts, arising as the result of or incurred in connection with the consummation of the transactions contemplated by the Divestiture, including, without limitation, the assignment and transfer of any asset to, or assumption of any liability by, Newco or the distribution of any shares of Newco or the business of the Company prior to the Closing Date or Newco after the Closing Date.

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(d) Notwithstanding the foregoing, (x) Young shall not be liable with respect to any Claim unless notified with respect to the Claim in accordance with paragraph 6 hereof on or before the third anniversary of the date hereof and (y) the estate of Buddy Young shall have no liability under this Agreement.

2. FURTHER ASSURANCES. Young shall take such actions and sign and deliver such other instruments and documents as may be reasonable, necessary or appropriate to effectuate its fulfillment of the obligations described in this Agreement.

3. AMENDMENT. No modification, waiver or termination of this Agreement, or any part hereof, shall be effective unless made in writing and signed by Young, the Company, Cheniere and the Cheniere Stockholders in each instance. Receipt by any party of any money or other consideration due under this Agreement, with or without knowledge, shall not constitute a waiver of any provision of this Agreement.

4. ENTIRE AGREEMENT. This Agreement, together with any Exhibits and

Schedules hereto, constitutes the entire agreement between Young, the Company, Cheniere and the Cheniere Stockholders with respect to the subject matter hereof and supersedes all prior agreements or understandings, or communications of Young, the Company, Cheniere and the Cheniere Stockholders relating thereto.

5. WAIVER; REMEDIES. No delay on the part of the Company, Cheniere, the Cheniere Stockholders or Young in exercising any right, power, privilege, or remedy hereunder shall operate as a waiver thereof or as a waiver of any other right, power, privilege, or remedy hereunder, nor shall any single or partial exercise of any right, power, privilege or remedy hereunder preclude any other or future exercise hereunder. The rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies which Cheniere, the Cheniere Stockholders, the Company or Young hereto may otherwise have at law or in equity.

6. NOTICES. Any notices or other communications required or permitted hereunder shall be sufficiently given if delivered personally or three (3) days after being sent by registered or certified mail, return receipt requested, postage prepaid, or transmitted by telecopy with oral confirmation, addressed as follows or to such other address of which the parties may have given notice in accordance with this paragraph 6:

If to Young:
c/o BEXY Communications, Inc.
16661 Ventura Boulevard, Suite 214
Encino, CA 91436
Attn: Mr. Buddy Young, President & CEO
Fax: (818) 784-8660

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With a copy to:

Hand & Hand
24901 Dana Point
Harbor Drive, Suite 200
Dana Point, CA 92629
Attn: Jehu Hand, Esq.
Fax: (714) 489-0034

If to the Company, Cheniere or the Cheniere
Stockholders:

Cheniere Energy, Inc.
Two Allen Center
1200 Smith Street, Suite 1710
Houston, Texas 77002
Attn: Mr. William D. Forster
Fax: (713) 659-5459

with a copy to:

Whitman Breed Abbott & Morgan
200 Park Avenue
New York, NY 10166
Attn: Robert C. Brighton, Jr., Esq.
Fax: (212) 351-3131

7. CAPTIONS. Paragraph titles or captions contained in this Agreement are listed only as a matter of convenience and for reference, and shall not be construed in any way to define, limit, extend or describe the scope of this Agreement or the intention of the provisions thereof.

8. SEVERABILITY. The invalidity of any one or more provisions hereof

or of the Reorganization Agreement shall not affect the remaining portions of this Agreement or of the Reorganization Agreement, all of which are inserted conditionally on their being held valid in law; and if one or more of the provisions contained herein or therein should be valid, or should operate to render this or the Agreement invalid, this Agreement and Reorganization Agreement shall be construed as if such invalid provisions had not been inserted.

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9. SURVIVAL. The obligations of Young hereunder shall survive the consummation of the transactions contemplated by the Reorganization Agreement for a period of three years.

IN WITNESS WHEREOF, Young has executed this Agreement as of the date set forth on the first page of this Agreement.

By: _____
Buddy Young

ACKNOWLEDGED AND ACCEPTED:

CHENIERE ENERGY OPERATING CO., INC.

By: _____
Name: William D. Forster
Title: President

CHENIERE ENERGY, INC.
(F/K/A BEXY COMMUNICATIONS, INC.)

By: _____
Name: William D. Forster
Title: President

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Exhibit 10(c)

CHENIERE ENERGY, INC.
Two Allen Center
1200 Smith Street, Suite 1710
Houston, Texas 77002

July 2, 1996

Mr. Buddy Young
16661 Ventura Boulevard, Suite 214
Encino, California 91436

Dear Buddy:

Reference is made to that certain Agreement and Plan of Reorganization dated as of April 16, 1996 (the "Agreement") among Cheniere Energy, Inc. (f/k/a BEXY Energy, Inc.) and you, and Cheniere Energy Operating Co., Inc. ("Cheniere") and the Stockholders of Cheniere. Capitalized terms used herein without definition shall have the same meanings as ascribed to them in the Agreement.

Reference is further made to Section 3.5 of the Agreement pursuant to which you have agreed to enter into this letter agreement confirming our understanding and agreement with respect to the sale of your shares of common stock of Cheniere Energy, Inc. (f/k/a BEXY Communications, Inc.) (the "Company").

Accordingly, in consideration of the benefits accruing to you under the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, for a period of nine months from the date hereof, you agree not to sell, offer to sell, grant any option for the sale of, or otherwise dispose of, directly or indirectly, more than ten thousand (10,000) shares of common stock of the Company, including shares of Common Stock of the Company that may be issued upon exercise of any option to purchase common stock beneficially owned by you, without our prior written consent.

In addition, by your signature below, you consent and agree that the Company may notify the stock transfer agent and registrar of your agreement to limit your sale of shares hereunder and request that the stock transfer agent decline to make any transfer that would be in violation of this letter agreement.

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The restrictions on resale of this letter agreement shall terminate in the event of a breach by the Company of that certain Consulting Agreement dated July 2, 1996 between the Company and Buddy Young. The Company agrees to promptly notify the transfer agent of any such termination. The Company further agrees to cooperate on a timely basis to facilitate Young's sale of shares of BEXY Stock consistent with this letter agreement and to cause its counsel to provide such opinions of counsel with respect to the availability of the safe harbor exemption from registration under the Securities Act of 1933, provided by Rule 144 thereunder if provided with a reasonable basis

therefor, at no cost to Young.

Please sign and return the enclosed copy of this letter to indicate your acknowledgement of and consent to the foregoing. This letter may be signed in counterparts and facsimile signatures shall be treated as originals.

Very truly yours,

CHENIERE ENERGY, INC.

By: _____
William D. Forster
President

ACKNOWLEDGED AND AGREED TO
this 2nd day of July, 1996

- -----
Buddy Young, individually

Exhibit 10(d)

CHENIERE ENERGY, INC.
Two Allen Center
1200 Smith Street, Suite 1710
Houston, Texas 77002

July 2, 1996

Mr. Buddy Young
16661 Ventura Boulevard, Suite 214
Encino, California 91436

Dear Buddy:

Reference is made to that certain Agreement and Plan of Reorganization dated as of April 16, 1996 (the "Agreement") among Cheniere Energy, Inc. (f/k/a BEXY Energy, Inc.) and you, and Cheniere Energy Operating Co., Inc. and the Stockholders of Cheniere. Capitalized terms used herein without definition shall have the same meanings as ascribed to them in the Agreement.

Reference is further made to Section 3.6 of the Agreement pursuant to which we have agreed to enter into this letter agreement confirming our understanding and agreement with respect to the reverse split of the common stock of Cheniere Energy, Inc. (f/k/a BEXY Communications, Inc.) (the "Company").

Accordingly, in consideration of the benefits accruing to us under the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, for a period of eighteen months from the date hereof, we agree not to engage in any reverse stock split or any transaction that has the effect of a reverse stock split, resulting in the combination of shares of outstanding common stock of the Company, other than the Reverse Split as described in the Agreement, without your prior written consent.

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Please sign and return the enclosed copy of this letter to indicate your acknowledgement of and consent to the foregoing. This letter may be signed in counterparts and facsimile signatures shall be treated as originals.

Very truly yours,

CHENIERE ENERGY, INC.

By: _____
William D. Forster
President

ACCEPTED AND ACKNOWLEDGED
this 2nd day of July, 1996

Buddy Young, individually