

UNITED STATES  
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): December 8, 2004  
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CHENIERE ENERGY, INC.

(Exact name of registrant as specified in its charter)

Delaware 1-16383 95-4352386  
(State or other jurisdiction of (Commission File Number) (I.R.S. Employer  
incorporation or organization) Identification No.)

717 Texas Avenue  
Suite 3100  
Houston, Texas 77002  
(Address of principal executive offices) (Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

On December 8, 2004, Cheniere Energy, Inc. (the "Company") issued a press release announcing that on December 8, 2004 it closed its previously announced public offering of 5 million shares of common stock at \$60 per share. The Company also announced that it received, after closing of the public offering on December 8, 2004, notice from ChevronTexaco that Chevron U.S.A. Inc. has determined not to continue negotiations regarding its proposed acquisition of a limited partner interest in Cheniere's wholly-owned Sabine Pass LNG partnership, which is developing an LNG receiving terminal near Sabine Pass in Cameron Parish, Louisiana. The notice delivered by ChevronTexaco also confirmed that, as previously announced, ChevronTexaco will advise Cheniere on or before December 20, 2004 whether it will proceed forward with the Terminal Use Agreement as a long-term user of reserved capacity at the Sabine Pass LNG terminal. The press release and the letter delivered by ChevronTexaco at approximately 5:00 p.m., Houston time on December 8, 2004, are attached as Exhibits 99.1 and 99.2, respectively, to this report and are incorporated by reference into this Item 8.01.

Item 9.01. Financial Statements and Exhibits.

c) Exhibits

Exhibit Number	Description
99.1	Press Release dated December 8, 2004 (filed herewith).

99.2 Letter from ChevronTexaco received December 8, 2004  
(filed herewith).

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 hereunto duly authorized.

CHENIERE ENERGY, INC.

Date: December 8, 2004

By: /s/ Don A. Turkleson  
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Name: Don A. Turkleson  
Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit Number -----	Description -----
99.1	Press Release dated December 8, 2004 (filed herewith).
99.2	Letter from ChevronTexaco received December 8, 2004 (filed herewith).

Cheniere Energy Closes Sale of 5 Million Shares of Common Stock;  
ChevronTexaco Terminates Equity Negotiations on Sabine Pass LNG

HOUSTON--(BUSINESS WIRE)--Dec. 8, 2004--Cheniere Energy, Inc. (AMEX:LNG) announced that it has closed its previously announced public offering of 5 million shares of common stock at \$60 per share, generating net cash proceeds of approximately \$286,100,000 after deduction of underwriting discounts and expenses. The offering was made under the Company's currently effective shelf registration statement. Net proceeds are expected to be used to fund the equity requirements of the project financing for Cheniere's Sabine Pass LNG receiving terminal or other general corporate purposes.

Separately, after closing of the public offering, Cheniere Energy's wholly owned limited partnership Sabine Pass LNG, L.P. (Sabine) received notice from ChevronTexaco that Chevron U.S.A. Inc. (CUSA) has determined not to continue negotiations regarding CUSA's proposed acquisition of an equity interest in Sabine. ChevronTexaco also notified Cheniere that, as previously announced, CUSA will advise Sabine on or before December 20, 2004, whether it will proceed forward with its November 8, 2004, Terminal Use Agreement as a long-term user of reserved capacity at Cheniere's Sabine Pass LNG terminal.

Cheniere Energy, Inc. is a Houston-based developer of LNG Receiving Terminals and a Gulf of Mexico E&P company. Cheniere is developing Gulf Coast LNG Receiving Terminals near Sabine Pass in Cameron Parish, LA, in which it holds 100%; near Corpus Christi, TX, in which it holds 66.7%; and near the city of Cameron in Cameron Parish, LA in which it holds 100%. Cheniere is also a 30% limited partner in Freeport LNG Development, L.P., which is developing an LNG Receiving Terminal in Freeport, Texas. Cheniere conducts exploration for oil and gas in the Gulf of Mexico using a regional database of 7,000 square miles of PSTM 3D seismic data. Cheniere also owns 9% of Gryphon Exploration Company, along with Warburg, Pincus Equity Partners, L.P. which owns 91%. Additional information about Cheniere Energy, Inc. may be found on its Web site at [www.Cheniere.com](http://www.Cheniere.com).

This press release contains certain statements that may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included herein are "forward-looking statements." Included among "forward-looking statements" are, among other things, (i) statements regarding Cheniere's business strategy, plans and objectives and (ii) statements expressing beliefs and expectations regarding the development of Cheniere's LNG receiving terminal business. Although Cheniere believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Cheniere's actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in Cheniere's periodic reports that are filed with and available from the Securities and Exchange Commission. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Other than as required under the securities laws, Cheniere does not assume a duty to update these forward-looking statements.

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Audie Setters  
Vice President  
International Marketing &  
Business Development

ChevronTexaco

December 6, 2004

Mr. Keith Meyer  
President  
Sabine Pass LNG, L.P.  
717 Texas Ave., Suite 3100  
Houston, Tx 77002

Dear Keith:

Re: Sabine Pass Equity Negotiations

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Despite our mutual efforts over the last several weeks, it has become clear that Chevron U.S.A. Inc. ("CUSA") and Sabine Pass LNG, L.P. ("Sabine") have not been and will not be able to reach agreement as to the terms of CUSA's acquisition of an equity interest in Sabine. Although we regret that fact, and appreciate the effort and cooperation with which you and your team have worked with us to negotiate such terms, given the significant differences in commercial expectations regarding CUSA's participation as an equity owner in Sabine, we conclude it is best to recognize the futility of further equity negotiations.

As a result, and in accordance with Section 3.3(b) of the Omnibus Agreement between Sabine and CUSA, CUSA hereby notifies Sabine that it does not believe that the Equity Condition Precedent set forth in Section 3.2(b) can be met. On or before December 20, 2004, CUSA will advise Sabine as to whether it is prepared to waive the Equity Condition Precedent and, assuming management approval of the Terminal Use Agreement and related Guaranty, proceed forward with the Terminal Use Agreement.

While we are disappointed that we have not been able to reach agreement as to our equity participation, we certainly wish Sabine the best of luck as it continues to develop the Sabine Pass terminal and hope that we will nonetheless have a long and mutually prosperous relationship through our role as a capacity holder in the terminal.

Cordially,

/s/ Audie Setters  
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Audie Setters

c.c. B. Hauhe