

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person* GSO CAPITAL PARTNERS LP (Last) (First) (Middle) 280 PARK AVENUE, 11TH FLOOR, (Street) NEW YORK, NY 10017 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 12/17/2010	3. Issuer Name and Ticker or Trading Symbol CHENIERE ENERGY INC [LNG]		
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)	5. If Amendment, Date Original Filed(Month/Day/Year)	
			6. Individual or Joint/Group Filing(Check Applicable Line) <input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person	

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	134,889	I	See Footnotes (1) (2) (3) (4) (5) (6) (7) (8)
Common Stock	2,716,119	I	See Footnotes (1) (2) (3) (4) (5) (6) (7) (8)
Common Stock	2,377,825	I	See Footnotes (1) (2) (3) (4) (5) (6) (7) (8)
Common Stock	4,402,174	I	See Footnotes (1) (2) (3) (4) (5) (6) (7) (8)
Common Stock	116,672	I	See Footnotes (1) (2) (3) (4) (5) (6) (7) (8)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GSO CAPITAL PARTNERS LP 280 PARK AVENUE, 11TH FLOOR NEW YORK, NY 10017		X		
GSO COF Facility LLC C/O GSO CAPITAL PARTNERS LP 280 PARK AVENUE, 11TH FLOOR NEW YORK, NY 10017		X		
Goodman Bennett J C/O GSO CAPITAL PARTNERS LP 280 PARK AVENUE, 11TH FLOOR NEW YORK, NY 10017		X		
Smith J Albert III C/O GSO CAPITAL PARTNERS LP 280 PARK AVENUE, 11TH FLOOR NEW YORK, NY 10017		X		

Ostrover Douglas I C/O GSO CAPITAL PARTNERS LP 280 PARK AVENUE, 11TH FLOOR NEW YORK, NY 10017		X		
GSO Advisor Holdings L.L.C. C/O THE BLACKSTONE GROUP L.P. 345 PARK AVENUE, NEW YORK, NY 10154		X		

Signatures

/s/ Marisa J. Beeney, Authorized Signatory for GSO CAPITAL PARTNERS LP		12/23/2010
**Signature of Reporting Person		Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(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).
- GSO Special Situations Funds LP, GSO Special Situations Overseas Master Fund, Ltd., GSO COF Facility LLC and Blackstone Distressed Securities Fund L.P. (collectively, the "GSO Funds") respectively hold 2,716,119, 2,377,825, 4,402,174, and 116,672 shares of Common Stock, par value \$0.003 per share, of the Issuer. GSO Capital Partners LP directly holds 134,889 shares of Common Stock.
- (1) GSO Capital Partners LP is the investment manager or collateral manager of each of the GSO Funds (other than Blackstone Distressed Securities Fund L.P.), and in that respect holds discretionary investment authority for each of them, and, accordingly, may be deemed to be the beneficial owner of the shares held by the GSO Funds (other than Blackstone Distressed Securities Fund L.P.). GSO Advisor Holdings L.L.C. is the general partner of GSO Capital Partners LP, and, accordingly, may also be deemed to be the beneficial owner of the shares held by the GSO Funds (other than Blackstone Distressed Securities Fund L.P.). Blackstone Distressed Securities Advisors L.P. is the investment manager of Blackstone Distressed Securities Fund L.P., and in that respect holds discretionary investment authority for, and, accordingly, may be deemed to be the beneficial owner of the shares held by Blackstone Distressed Securities Fund L.P. (Continued in Footnote 3)
- (2) Blackstone DD Advisors L.L.C. is the general partner of Blackstone Distressed Securities Advisors L.P., and, accordingly, may also be deemed to be the beneficial owner of the shares held by Blackstone Distressed Securities Fund L.P.
- Blackstone Holdings I L.P. is the sole member of each of GSO Advisor Holdings L.L.C. and Blackstone DD Advisors L.L.C., and, accordingly, may also be deemed to be the beneficial owner of the shares held by the GSO Funds. Blackstone Holdings I/II GP Inc. is the general partner of Blackstone Holdings I L.P., and, accordingly, may also be deemed to be the beneficial owner of the shares held by the GSO Funds. The Blackstone Group L.P. is the controlling shareholder of Blackstone Holdings I/II GP Inc., and, accordingly, may also be deemed to be the beneficial owner of the shares held by the GSO Funds. Blackstone Group Management L.L.C. is the general partner of The Blackstone Group L.P., and, accordingly, may also be deemed to be the beneficial owner of the shares held by the GSO Funds. (Continued in Footnote 5)
- Stephen A. Schwarzman is the founding member of Blackstone Group Management L.L.C., and, accordingly, may also be deemed to be the beneficial owner of the shares held by the GSO Funds. In addition, each of Bennett J. Goodman, J. Albert Smith III and Douglas I. Ostrover may have shared investment control with respect to the shares held by the GSO Funds (other than Blackstone Distressed Securities Fund L.P.), and, accordingly, may also be deemed to be the beneficial owner of the shares held by the GSO Funds (other than Blackstone Distressed Securities Fund L.P.).
- (3) Due to the limitations of the electronic filing system, Blackstone Holdings I L.P., Blackstone Holdings I/II GP Inc., The Blackstone Group L.P., Blackstone Group Management L.L.C. and Stephen A. Schwarzman are filing a separate Form 3.
- (4) Information with respect to each of the Reporting Persons is given solely by such Reporting Persons, and no Reporting Person has responsibility for the accuracy or completeness of information supplied by another Reporting Person.
- Each of the Reporting Persons, other than the GSO Funds and GSO Capital Partners LP, disclaims beneficial ownership of the shares held by each of the GSO Funds and GSO Capital Partners LP, except to the extent of such Reporting Person's pecuniary interest therein, and, pursuant to Rule 16a-1(a)(4) under the Securities Exchange Act of 1934, each of the Reporting Persons, other than the GSO Funds and GSO Capital Partners LP, states that the inclusion of these shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or for any other purpose.
- (5)
- (6)
- (7)
- (8)

Remarks:

- Exhibit 99.1 - Joint Filer Information
- Exhibit 24.1 - Power of Attorney - Douglas I. Ostrover
- Exhibit 24.2 - Power of Attorney - J. Albert Smith III
- Exhibit 24.3 - Power of Attorney - Bennett J. Goodman

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.

Joint Filer Information

Date of Event Requiring Statement: December 17, 2010
Issuer Name and Ticker or Trading Symbol: Cheniere Energy Inc [LNG]
Designated Filer: GSO Capital Partners LP

GSO COF Facility LLC
GSO Advisor Holdings L.L.C.
Bennett J. Goodman
J. Albert Smith III
Douglas I. Ostrover

Addresses: The address of the principal business and principal office of each of GSO COF Facility LLC, GSO Advisor Holdings L.L.C., Bennett J. Goodman, J. Albert Smith III, and Douglas I. Ostrover LLC is c/o GSO Capital Partners LP, 280 Park Avenue, 11th Floor, New York, NY 10017.

Signatures:
Dated: December 23, 2010

GSO COF FACILITY LLC

By: GSO Capital Opportunities Fund LP, its sole member
By: GSO Capital Opportunities Associates LLC, its general partner
By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney
Title: Authorized Signatory

GSO ADVISOR HOLDINGS L.L.C.

By: Blackstone Holdings I L.P., its sole member
By: Blackstone Holdings I/II GP Inc., its general partner
By: /s/ Robert L. Friedman

Name: Robert L. Friedman
Title: Authorized Signatory

BENNETT J. GOODMAN

By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney
Title: Attorney-in-Fact

J. ALBERT SMITH III

By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney
Title: Attorney-in-Fact

DOUGLAS I. OSTROVER

By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney
Title: Attorney-in-Fact

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that I, DOUGLAS I. OSTROVER, hereby make, constitute and appoint MARISA BEENEY, acting individually, as my agent and attorney-in-fact for the purpose of executing in my name, (a) in my personal capacity or (b) in my capacity as an executive, member of or in other capacities with GSO Capital Partners LP, GSO Capital Advisors LLC or GSO / Blackstone Debt Funds Management LLC and each of their affiliates or entities advised by me, GSO Capital Partners LP, GSO Capital Advisors LLC or GSO / Blackstone Debt Funds Management LLC, all documents, certificates, instruments, statements, filings and agreements ("documents") to be filed with or delivered to any foreign or domestic governmental or regulatory body or required or requested by any other person or entity pursuant to any legal or regulatory requirement relating to the acquisition, ownership, management or disposition of securities, futures contracts or other investments, and any other documents relating or ancillary thereto, including without limitation all documents relating to filings with any stock exchange, self-regulatory association, the Commodities Futures Trading Commission and National Futures Association, the United States Securities and Exchange Commission (the "SEC") pursuant to the Securities Act of 1933 or the Securities Exchange Act of 1934 (the "Act") and the rules and regulations promulgated thereunder, including all documents relating to the beneficial ownership of securities required to be filed with the SEC pursuant to Section 13(d) or Section 16(a) of the Act and any information statements on Form 13F required to be filed with the SEC pursuant to Section 13(f) of the Act, including without limitation Form 3, 4, 5, 144, or Schedules 13D, 13F and 13G and any amendments to said forms or schedules, in each case, as determined by such person to be necessary or appropriate. Any such determination shall be conclusively evidenced by such person's execution, delivery, furnishing and/or filing of the applicable document.

All past acts of the attorneys-in-fact in furtherance of the foregoing are hereby ratified and confirmed.

This power of attorney shall be valid from the date hereof until the date revoked in writing by the undersigned, and this power of attorney does not revoke or replace any other power of attorney that the undersigned has previously granted.

IN WITNESS WHEREOF, I have executed this instrument as of the 8th day of June, 2010.

/s/ DOUGLAS I. OSTROVER

Douglas I. Ostrover

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that I, J. ALBERT SMITH III, hereby make, constitute and appoint MARISA BEENEY, acting individually, as my agent and attorney-in-fact for the purpose of executing in my name, (a) in my personal capacity or (b) in my capacity as an executive, member of or in other capacities with GSO Capital Partners LP, GSO Capital Advisors LLC or GSO / Blackstone Debt Funds Management LLC and each of their affiliates or entities advised by me, GSO Capital Partners LP, GSO Capital Advisors LLC or GSO / Blackstone Debt Funds Management LLC, all documents, certificates, instruments, statements, filings and agreements ("documents") to be filed with or delivered to any foreign or domestic governmental or regulatory body or required or requested by any other person or entity pursuant to any legal or regulatory requirement relating to the acquisition, ownership, management or disposition of securities, futures contracts or other investments, and any other documents relating or ancillary thereto, including without limitation all documents relating to filings with any stock exchange, self-regulatory association, the Commodities Futures Trading Commission and National Futures Association, the United States Securities and Exchange Commission (the "SEC") pursuant to the Securities Act of 1933 or the Securities Exchange Act of 1934 (the "Act") and the rules and regulations promulgated thereunder, including all documents relating to the beneficial ownership of securities required to be filed with the SEC pursuant to Section 13(d) or Section 16(a) of the Act and any information statements on Form 13F required to be filed with the SEC pursuant to Section 13(f) of the Act, including without limitation Form 3, 4, 5, 144, or Schedules 13D, 13F and 13G and any amendments to said forms or schedules, in each case, as determined by such person to be necessary or appropriate. Any such determination shall be conclusively evidenced by such person's execution, delivery, furnishing and/or filing of the applicable document.

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IN WITNESS WHEREOF, I have executed this instrument as of the 8th day of June, 2010.

/s/ J. ALBERT SMITH III

J. Albert Smith III

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that I, BENNETT J. GOODMAN, hereby make, constitute and appoint MARISA BEENEY, acting individually, as my agent and attorney-in-fact for the purpose of executing in my name, (a) in my personal capacity or (b) in my capacity as an executive, member of or in other capacities with GSO Capital Partners LP, GSO Capital Advisors LLC or GSO / Blackstone Debt Funds Management LLC and each of their affiliates or entities advised by me, GSO Capital Partners LP, GSO Capital Advisors LLC or GSO / Blackstone Debt Funds Management LLC, all documents, certificates, instruments, statements, filings and agreements ("documents") to be filed with or delivered to any foreign or domestic governmental or regulatory body or required or requested by any other person or entity pursuant to any legal or regulatory requirement relating to the acquisition, ownership, management or disposition of securities, futures contracts or other investments, and any other documents relating or ancillary thereto, including without limitation all documents relating to filings with any stock exchange, self-regulatory association, the Commodities Futures Trading Commission and National Futures Association, the United States Securities and Exchange Commission (the "SEC") pursuant to the Securities Act of 1933 or the Securities Exchange Act of 1934 (the "Act") and the rules and regulations promulgated thereunder, including all documents relating to the beneficial ownership of securities required to be filed with the SEC pursuant to Section 13(d) or Section 16(a) of the Act and any information statements on Form 13F required to be filed with the SEC pursuant to Section 13(f) of the Act, including without limitation Form 3, 4, 5, 144, or Schedules 13D, 13F and 13G and any amendments to said forms or schedules, in each case, as determined by such person to be necessary or appropriate. Any such determination shall be conclusively evidenced by such person's execution, delivery, furnishing and/or filing of the applicable document.

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IN WITNESS WHEREOF, I have executed this instrument as of the 8th day of June, 2010.

/s/ BENNETT J. GOODMAN

Bennett J. Goodman