

Paulson John  
 Form 4  
 November 24, 2010

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**PAULSON & CO INC**

(Last) (First) (Middle)

1251 AVENUE OF THE AMERICAS, 50TH FLOOR

(Street)

NEW YORK, NY 10020

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**CHENIERE ENERGY INC [LNG]**

3. Date of Earliest Transaction (Month/Day/Year)  
 11/22/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
 \_\_\_ Officer (give title below) \_\_\_ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 \_\_\_ Form filed by One Reporting Person  
 \_\_\_X\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |
| Common Stock                    | 11/22/2010                           |  | S                              |   | 114,469   | D  | \$ 6.4809   |
|                                 |                                      |  |                                |   |   |  | 407,486   |
|                                 |                                      |  |                                |   |   |  | D (1) (6) (7)   |
| Common Stock                    | 11/22/2010                           |  | S                              |   | 171,703   | D  | \$ 6.3208   |
|                                 |                                      |  |                                |   |   |  | 235,783   |
|                                 |                                      |  |                                |   |   |  | D (1) (6) (7)   |
| Common Stock                    | 11/22/2010                           |  | S                              |   | 50,186  | D  | \$ 6.4809   |
|                                 |                                      |  |                                |   |   |  | 268,165   |
|                                 |                                      |  |                                |   |   |  | D (2) (6) (7)   |
| Common Stock                    | 11/22/2010                           |  | S                              |   | 75,278  | D  | \$ 6.3208   |
|                                 |                                      |  |                                |   |   |  | 192,887   |
|                                 |                                      |  |                                |   |   |  | D (2) (6) (7)   |
| Common Stock                    | 11/22/2010                           |  | S                              |   | 200,839   | D  | \$ 6.4809   |
|                                 |                                      |  |                                |   |   |  | 847,145   |
|                                 |                                      |  |                                |   |   |  | D (3) (6) (7)   |

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|              |            |   |         |   |           |           |                                    |
|--------------|------------|---|---------|---|-----------|-----------|------------------------------------|
| Common Stock | 11/22/2010 | S | 301,259 | D | \$ 6.3208 | 545,886   | D <u>(3)</u> <u>(6)</u> <u>(7)</u> |
| Common Stock | 11/22/2010 | S | 416,084 | D | \$ 6.4809 | 2,093,391 | D <u>(4)</u> <u>(6)</u> <u>(7)</u> |
| Common Stock | 11/22/2010 | S | 624,126 | D | \$ 6.3208 | 1,469,265 | D <u>(4)</u> <u>(6)</u> <u>(7)</u> |
| Common Stock | 11/22/2010 | S | 18,422  | D | \$ 6.4809 | 196,177   | D <u>(5)</u> <u>(6)</u> <u>(7)</u> |
| Common Stock | 11/22/2010 | S | 27,634  | D | \$ 6.3208 | 168,543   | D <u>(5)</u> <u>(6)</u> <u>(7)</u> |

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.** SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Beneficially (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| PAULSON & CO INC<br>1251 AVENUE OF THE AMERICAS<br>50TH FLOOR<br>NEW YORK, NY 10020 |               | X         |         |       |
| Paulson John<br>1251 AVENUE OF THE AMERICAS<br>50TH FLOOR                           |               | X         |         |       |

|  |   |
|--|---|
| NEW YORK, NY 10020   |   |
| PAULSON PARTNERS LP<br>1251 AVENUE OF THE AMERICAS<br>50TH FLOOR<br>NEW YORK, NY 10020   | X |
| Paulson Partners Enchanced L.P.<br>1251 AVENUE OF THE AMERICAS<br>50TH FLOOR<br>NEW YORK, NY 10020   | X |
| Paulson International Ltd.<br>C/O MAPLES CORPORATE SERVICES LIMITED<br>P.O. BOX 309, UGLAND HOUSE, S. CHURCH ST<br>GRAND CAYMAN, E9 KY1-1104         | X |
| Paulson Advantage Select Ltd.<br>C/O MAPLES CORPORATE SERVICES LIMITED<br>P.O. BOX 309, UGLAND HOUSE, S. CHURCH ST<br>GRAND CAYMAN, E9 KY1-1104      | X |
| Paulson Advantage Master Ltd.<br>C/O MAPLES CORPORATE SERVICES LIMITED<br>P.O. BOX 309, UGLAND HOUSE, S. CHURCH ST<br>GRAND CAYMAN, E9 KY1-1104      | X |
| Paulson Advantage Plus Master Ltd.<br>C/O MAPLES CORPORATE SERVICES LIMITED<br>P.O. BOX 309, UGLAND HOUSE, S. CHURCH ST<br>GRAND CAYMAN, E9 KY1-1104 | X |
| PAULSON ENHANCED LTD<br>C/O MAPLES CORPORATE SERVICES LIMITED<br>P.O. BOX 309, UGLAND HOUSE, S. CHURCH ST<br>GRAND CAYMAN, E9 KY1-1104               | X |

## Signatures

|   |            |
|---|------------|
| Stuart L. Merzer, General Counsel & Chief Compliance Officer, Paulson & Co. Inc.  | 11/24/2010 |
| __Signature of Reporting Person   | Date       |
| Stuart L. Merzer, General Counsel & Chief Compliance Officer of Paulson & Co. Inc., the managing member of Paulson Advisers LLC, the general partner of Paulson Partners L.P. | 11/24/2010 |
| __Signature of Reporting Person   | Date       |
| Stuart L. Merzer, General Counsel & Chief Compliance Officer of Paulson & Co. Inc., the managing member of Paulson Advisers LLC, the general partner of Paulson Enhanced L.P. | 11/24/2010 |
| __Signature of Reporting Person   | Date       |
| Stuart L. Merzer, General Counsel & Chief Compliance Officer of Paulson & Co. Inc., as Investment Manager of Paulson International Ltd.                                       | 11/24/2010 |
| __Signature of Reporting Person   | Date       |

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|  |            |
|--|------------|
| Stuart L. Merzer, General Counsel & Chief Compliance Officer of Paulson & Co. Inc., as<br>Investment Manager of Paulson Advantage Select Ltd.      | 11/24/2010 |
| __Signature of Reporting Person  | Date       |
| Stuart L. Merzer, General Counsel & Chief Compliance Officer of Paulson & Co. Inc., as<br>Investment Manager of Paulson Advantage Master Ltd.      | 11/24/2010 |
| __Signature of Reporting Person  | Date       |
| Stuart L. Merzer, General Counsel & Chief Compliance Officer of Paulson & Co. Inc., as<br>Investment Manager of Paulson Advantage Plus Master Ltd. | 11/24/2010 |
| __Signature of Reporting Person  | Date       |
| Stuart L. Merzer, General Counsel & Chief Compliance Officer of Paulson & Co. Inc., as<br>Investment Manager of Paulson Enhanced Ltd.              | 11/24/2010 |
| __Signature of Reporting Person  | Date       |
| Stuart L. Merzer, as Attorney-in-Fact for John Paulson   | 11/24/2010 |
| __Signature of Reporting Person  | Date       |

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(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).
- (1) Reflects the securities of the issuer owned directly by Paulson Partners Enhanced L.P. ("Enhanced L.P.").
- (2) Reflects the securities of the issuer owned directly by Paulson Partners L.P. ("Paulson Partners").
- (3) Reflects the securities of the issuer owned directly by Paulson International Ltd. ("Paulson International").
- (4) Reflects the securities of the issuer owned directly by Paulson Enhanced Ltd. ("Enhanced Ltd.").
- (5) Reflects the securities of the issuer held directly in accounts managed separately ("Separately Managed Accounts") by Paulson & Co. Inc. ("Paulson").

Paulson is an investment advisor registered under the Investment Advisors Act of 1940. Paulson is the investment manager of Paulson Partners, Enhanced L.P., Paulson International, Paulson Advantage Select Ltd. ("Advantage Select Ltd."), Paulson Advantage Master Ltd. ("Advantage Master"), Paulson Advantage Plus Master Ltd. ("Advantage Plus Master"), Enhanced Ltd. and the Separately Managed Accounts. Paulson is also the controlling person of Paulson Advisers LLC, the managing general partner of each of Paulson Partners and Enhanced L.P. John Paulson is the controlling person of Paulson.

- Each of Paulson and John Paulson may be deemed to indirectly beneficially own the securities directly owned by Paulson Partners, Enhanced L.P., Paulson International, Advantage Select Ltd., Advantage Master, Advantage Plus Master and Enhanced Ltd. (collectively, the "Funds") and the Separately Managed Accounts. For purposes of this Form 4, Paulson and John Paulson disclaim beneficial ownership of the shares of common stock owned by the Funds and accounts reporting on this Form 4 except to the extent of their pecuniary interest therein.

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.