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ONE HUNDRED TENTH CONGRESS

Congress of the United States
House of Representatives
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515–6143

Majority (202) 225–5051
Minority (202) 225–5074

January 22, 2007

Mr. William P. Utt
President and Chief Executive Officer
KBR, Inc.
601 Jefferson Street
Suite 3400
Houston, TX 77002

Dear Mr. Utt:

The Committee on Oversight and Government Reform is conducting an investigation into various aspects of the work of government contractors in Iraq, including their role in Iraq reconstruction activities and troop support. As part of the investigation, the Committee plans to hold a hearing on Wednesday, February 7, 2007, and you have been invited to testify.

One aspect of the hearing will relate to information we have received indicating that Blackwater USA provided security services as a third-tier subcontractor under Halliburton's LOGCAP contract, which appears to contradict assertions by your company referenced in a July 14, 2006, letter from the Secretary of the Army to the Committee, that Blackwater did not perform such services.[1] The Committee is interested in receiving information regarding the costs incurred, the amounts billed, and the payments received by the contractor or subcontractor at each tier of this arrangement.

In preparation for the Committee's February 7 hearing, we request that KBR[2] produce the following documents for the time period from January 1, 2003, to the present:

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[1] Letter from Francis J. Harvey, Army Secretary, to Rep. Chris Shays, Chairman, Subcommittee on National Security, Emerging Threats, and International Relations (July 14, 2006) (online at www.oversight.house.gov/Documents/20061207151642-57715.pdf).

[2] "KBR" refers to KBR, Inc., Kellogg, Brown & Root, and any affiliated entities under the control of KBR, Inc.

1. Contracts and subcontracts, invoices, and payment records, whether classified or unclassified, relating to business activities with the following companies or their subsidiaries or affiliated companies: (a) Blackwater[3]; (b) ESS Support Services Worldwide / Compass Group, PLC; or (c) Regency Hotel & Hospitality Company;

2. Correspondence with either the Department of Defense or any of the companies listed in (1) above, relating to subcontracts for security-related activities in Iraq;

3. Internal Halliburton or KBR correspondence relating to subcontracts for security-related activities in Iraq;

4. A list of all KBR employees or affiliated independent contractors, if any, who were involved with security-related contracts or subcontracts relating to Iraq with the following companies: (a) Blackwater; (b) ESS Support Services Worldwide / Compass Group, PLC; or (c) Regency Hotel & Hospitality Company. The list should contain for each employee or independent contractor (a) the individual's title or job description, and (b) the specific contracts or subcontracts on which the individual worked; and

5. For each employee or affiliated independent contractor identified in (4), above, all employment or contract agreements, payroll records, and work orders or assignment records relating to that individual.

In order to have the documents available for use at the February 7 hearing, we request that you produce the above-described documents on or before **January 26, 2007.** If you determine that you will be unable to make a complete production by this date, please contact Committee staff to discuss possible modifications to this schedule. To facilitate potential future document requests, we also request that KBR preserve all documents relating to KBR's activities in Iraq, its interactions with the companies listed in (1), above, or any of the employees identified in your response to (4), above.

In addition to this document request, we also request that you provide a briefing on all contracts and subcontracts involving any of the companies listed in (3), above. We request that you provide the briefing on or before **Monday, January 29, 2007**.

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[3] "Blackwater" refers to Blackwater USA, Blackwater Security Consulting and any subsidiaries or affiliated companies, including but not limited to Blackwater Training Center, Blackwater Target Systems, Blackwater Canine, Raven Development Group, Aviation Worldwide Services, and Greystone Ltd.

The Committee on Oversight and Government Reform is the principal oversight committee in the House of Representatives and has broad oversight jurisdiction as set forth in House Rule X clauses 1(m), 2, 3(i) and 4(c). An attachment to this letter provides additional information on how to respond to the Committee's request.

If you have any questions regarding this request, please contact David Rapallo or Theodore Chuang with the Committee staff at (202) 225-5420.

Sincerely,

Henry A. Waxman
Chairman

Enclosure

cc: Tom Davis
Ranking Minority Member