SEC Form 4	ŀ
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## FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 193/

OMB APPROVAL								
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												mpany Act o										
							2. Issuer Name <b>and</b> Ticker or Trading Symbol <u>KBR, INC.</u> [KBR]										5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director X 10% Owner					
(Last) (First) (Middle) 1401 MCKINNEY						3. Date of Earliest Transaction (Month/Day/Year) 04/05/2007										Officer (give title Other (specify below) below)						
(Street) HOUSTON TX 77010						Line)										r Joint/Group Filing (Check Applicable n filed by One Reporting Person n filed by More than One Reporting on						
(City)	(City)   (State)   (Zip)     Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned																					
1. Title of Security (Instr. 3) 2. Transaction Date (Month/Day/Yea)						2A. Deemed Execution Date,			3. Transaction Code (Instr. 8)			4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and				5. Amo Securit Benefic	unt of ties cially Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)		7. Nature of Indirect Beneficial Ownership (Instr. 4)		
									Code	v	An	nount	(A) oi (D)	r Price	;	Transa	Transaction(s) (Instr. 3 and 4)			(		
Common	Common Stock 04			04/05/20	07						13	35,627,000	D \$20		.71(1)	0			Ι	See Footnote <sup>(2)</sup>		
		Ta	ble	II - Deriva (e.g., p								osed of, o onvertibl				wned						
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	Exec if an	Deemed ution Date, y hth/Day/Year)		saction e (Instr.	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		Exp	iratior	xercisable and n Date ay/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. and 4)		Der Sec (Ins	Price of rivative curity str. 5)	ve derivative Securities		10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	Beneficial Ownership (Instr. 4)		
	Code			Code	e V	(A)	(D)	Date	e rcisab	le	Expiration Date	Title	Amour or Numbe of Shares	er								
	nd Address of BURTO	Reporting Person <sup>*</sup>																				
(Last) 1401 MC	CKINNEY	(First)		(Middle)																		
(Street) HOUST(	ON	ТХ		77010																		
(City)		(State)		(Zip)																		
1. Name and Address of Reporting Person* <u>KELLOGG ENERGY SERVICES, INC.</u>																						
(Last) 1401 MC	CKINNEY	(First)		(Middle)																		

(Street) HOUSTON TX 77010 (City) (State) (Zip)

## Explanation of Responses:

1. Halliburton Company ("Halliburton") disposed of 135,627,000 shares of common stock of KBR, Inc. ("KBR") in exchange for 85,273,184 shares of Halliburton common stock pursuant to a registered exchange offer to Halliburton's shareholders. The final exchange offer was 1.5905 shares of KBR common stock per share of Halliburton common stock accepted in the exchange offer. As a result of the exchange offer, Halliburton has disposed of its entire equity interest in KBR. The price of \$20.71 is based on the final exchange ratio and the estimated fair value of shares of Halliburton common stock accepted in the exchange offer of \$32.94 per share, which represents the closing stock price of Halliburton common stock on the New York Stock Exchange on April 5, 2007.

2. These securities were formerly owned directly by Kellogg Energy Services, Inc. ("KESI"), which is a direct wholly owned subsidiary of DII Industries, LLC ("DII"), which is a direct wholly owned subsidiary of Halliburton Energy Services, Inc. ("HESI"), which is a direct wholly owned subsidiary of Halliburton. Prior to Halliburton's disposition of the securities as reported herein, KESI distributed the securities to DII, DII distributed the securities to HESI, and HESI distributed the securities to Halliburton.

/s/ W. Dan Myers, Secretary of 04/25/2007

Kellogg Energy Services, Inc.

\*\* Signature of Reporting Person

Date

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

 $^{\ast}$  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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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