

KBR, INC.
Form 4
April 25, 2007

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 *
HALLIBURTON CO

2. Issuer Name and Ticker or Trading Symbol
KBR, INC. [KBR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
1401 MCKINNEY

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
04/05/2007

____ Director
____ Officer (give title below)
__X__ 10% Owner
____ Other (specify below)

HOUSTON, TX 77010

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

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

(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/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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	04/05/2007		S		135,627,000	D	\$ 20.71 0
							(1)
							See Footnote (2)

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

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SEC 1474 (9-02)

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

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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 Following Reporting Transaction (Instr. 6)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HALLIBURTON CO 1401 MCKINNEY HOUSTON, TX 77010		X		
KELLOGG ENERGY SERVICES, INC. 1401 MCKINNEY HOUSTON, TX 77010		X		

Signatures

/s/ Robert L. Hayter, Assistant Secretary of Halliburton Co. 04/25/2007
 __Signature of Reporting Person Date

/s/ W. Dan Myers, Secretary of Kellogg Energy Services, Inc. 04/25/2007
 __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) 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 ratio for the 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.

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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