

KBR, INC.
Form 4
November 22, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL
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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 *
Rose John L

(Last) (First) (Middle)

601 JEFFERSON STREET, SUITE 3400

(Street)

HOUSTON, TX 77002

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
11/21/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP, Energy & Chemicals

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount (D) Price | | |
| Common Stock | 11/21/2006 | | A | | 19,257 (1) | A | \$ 0 19,257 D |

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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Nonstatutory Stock Option (right to buy) | \$ 21.81 | 11/21/2006 | | A | 7,615 (2) | 11/21/2007 11/21/2016 | Common Stock | 7,615 |
| Nonstatutory Stock Option (right to buy) | \$ 21.81 | 11/21/2006 | | A | 7,691 (3) | 11/21/2008 11/21/2016 | Common Stock | 7,691 |
| Nonstatutory Stock Option (right to buy) | \$ 21.81 | 11/21/2006 | | A | 7,540 (4) | 11/21/2009 11/21/2016 | Common Stock | 7,540 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Rose John L 601 JEFFERSON STREET SUITE 3400 HOUSTON, TX 77002 | | | EVP, Energy & Chemicals | |

Signatures

Michael A. Weberpal,
Attorney-in-Fact

11/22/2006

**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) Restricted Stock Units awarded pursuant to the KBR, Inc. 2006 Stock and Incentive Plan and will convert at a 1-to-1 ratio. The restrictions on the stock will begin to lapse on November 21, 2007 at 20% per year over a five-year period.
- (2) Stock Options awarded pursuant to the KBR, Inc. 2006 Stock and Incentive Plan.
- (3) Stock Options awarded pursuant to the KBR, Inc. 2006 Stock and Incentive Plan.
- (4) Stock Options awarded pursuant to the KBR, Inc. 2006 Stock and Incentive Plan.

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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