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**Select Committee on
Energy Independence and Global Warming
U.S. House of Representatives**

October 19, 2007

The Honorable George W. Bush
President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

I write to you with deep concern regarding the contract signed between Hunt Oil Company and the Kurdistan Regional Government September 8, 2007. In particular, I am concerned that Hunt Oil's negotiation of a contract with a regional government – and not the central government of Iraq – has severely undermined the potential for political reconciliation between the various factions in that country, and has therefore possibly lengthened the timeline of our military involvement there. Furthermore, I am concerned that this contract could have been seen as endorsed by the government of the United States or by you personally, given that Ray Hunt, Chairman of the Board, President and CEO of Hunt Oil also serves as a member of the President's Foreign Intelligence Advisory Board.

On October 2, 2007 and again on October 12, 2007, I wrote to Secretary of State Condoleezza Rice with questions about the role of the Department of State in this episode. On October 18, 2007, Jeffrey T. Bergner, Assistant Secretary of State for Legislative Affairs, replied and answered some of my questions. All three of these letters are attached here for your review.

Assistant Secretary Bergner confirmed that Hunt Oil provided prior notice to the United States government of its intentions to sign an oil contract with the Kurdistan Regional Government. He also wrote that the Regional Reconstruction Team in the Iraqi Kurdistan Region informed Hunt Oil's General Manager that Hunt Oil would "incur significant political and legal risk by signing contracts with any party before the Hydrocarbon Framework Law is passed by the Iraqi Parliament and that signature of such contracts would needlessly elevate tensions between the KRG and the Government of Iraq." Assistant Secretary Bergner also noted that the Hunt Oil contract negotiation "is not helpful" given that it "complicates negotiations" for the Hydrocarbon Framework Law.

Assistant Secretary Bergner pointedly refused to answer any of my questions regarding Mr. Hunt's dual role as both President of Hunt Oil and also a senior foreign intelligence advisor to the President of the United States. It was suggested by Assistant Secretary Bergner that questions on such matters be directed to you. As a result, a number of questions concerning the President's Foreign Intelligence Advisory Board and Mr. Hunt's potential conflicts of interest are enclosed here.

I would appreciate prompt answers to the following questions:

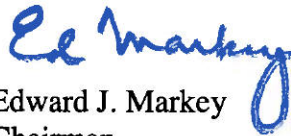
1. When was the White House first aware of negotiations between Hunt and the Kurdish government?
2. Who informed you that Hunt and the Kurdish government were negotiating a bilateral oil deal outside of the efforts of the Iraqi government to work out an oil-sharing agreement?
3. Do you view this agreement as helpful to your efforts to achieve reconciliation in Iraq? Please explain.
4. What specific concerns were raised by the State Department, the U.S. Embassy in Baghdad, the Regional Reconstruction Team in the Iraqi Kurdistan Region, the White House, or any cabinet agency about the Hunt Oil contract negotiation?
5. Did the White House contact Hunt Oil, or any employee or officer of Hunt Oil, regarding this contract negotiation?
6. How will you respond to other private companies who might pursue oil drilling rights in Iraq prior to the Iraqi government establishing an oil sharing agreement?
7. What role does an Iraqi oil profit-sharing program play in overall national stability and the process of national political reconciliation?
8. Do you believe that it is appropriate for Iraqi regional governments to enter into agreements concerning oil exploration and extraction without the involvement of the central government? Or do you believe that the central government of Iraq is the only legitimate governmental entity to negotiate such contracts?
9. Do you agree with the Iraqi oil minister that the contract between Hunt oil and the Kurd government is illegal?
10. Ray Hunt, Chairman of the Board, President and CEO of Hunt Consolidated, Inc, also serves on the President's Foreign Intelligence Advisory Board (PFIAB). Are you concerned that the involvement of such a high-level White House advisor in this contract will create the impression that the negotiation between Hunt and the Kurdish government was sanctioned by the United States, or, indeed, by you yourself?
11. Some critics of Ray Hunt's service on PFIAB claim that the information available to him from PFIAB could be misused to further his business interests. What mechanisms are in place to ensure that PFIAB members do not use classified information for personal gain or that they do not bias their advice to the President on intelligence matters in light of their business interests?

12. Has the White House ever needed to inform other PFIAB members that their personal or business interests conflict with the national security goals of the United States?

13. Are there any other PFIAB members with oil interests in Iraq?

Thank you for your attention to this matter. I look forward to your timely responses to the questions above. If you have any questions, please contact Danielle Baussan or Jeff Duncan at 202-225-4012.

Sincerely,



Edward J. Markey
Chairman

Enclosure.