

HENRY A. WAXMAN, CALIFORNIA,  
CHAIRMAN

TOM LANTOS, CALIFORNIA  
EDOLPHUS TOWNS, NEW YORK  
PAUL E. KANJORSKI, PENNSYLVANIA  
CAROLYN B. MALONEY, NEW YORK  
ELIJAH E. GUMMINGS, MARYLAND  
DENNIS J. KUCINICH, OHIO  
DANNY K. DAVIS, ILLINOIS  
JOHN F. TIERNEY, MASSACHUSETTS  
WM. LACY CLAY, MISSOURI  
DIANE E. WATSON, CALIFORNIA  
STEPHEN F. LYNCH, MASSACHUSETTS  
BRIAN HIGGINS, NEW YORK  
JOHN A. YARMUTH, KENTUCKY  
BRUCE L. BRALEY, IOWA  
ELEANOR HOLMES NORTON,  
DISTRICT OF COLUMBIA  
BETTY MCCOLLUM, MINNESOTA  
JIM COOPER, TENNESSEE  
CHRIS VAN HOLLEN, MARYLAND  
PAUL W. HODES, NEW HAMPSHIRE  
CHRISTOPHER S. MURPHY, CONNECTICUT  
JOHN P. SARBANES, MARYLAND  
PETER WELCH, VERMONT

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  
FACSIMILE (202) 225-4784  
MINORITY (202) 225-5074

[www.oversight.house.gov](http://www.oversight.house.gov)

TOM DAVIS, VIRGINIA,  
RANKING MINORITY MEMBER

DAN BURTON, INDIANA  
CHRISTOPHER SHAYS, CONNECTICUT  
JOHN M. McHUGH, NEW YORK  
JOHN L. MICA, FLORIDA  
MARK E. SOUDER, INDIANA  
TODD RUSSELL PLATTTS, PENNSYLVANIA  
CHRIS CANNON, UTAH  
JOHN J. DUNCAN, JR., TENNESSEE  
MICHAEL R. TURNER, OHIO  
DARRELL E. ISSA, CALIFORNIA  
KENNY MARCHANT, TEXAS  
LYNN A. WESTMORELAND, GEORGIA  
PATRICK T. McHENRY, NORTH CAROLINA  
VIRGINIA FOXX, NORTH CAROLINA  
BRIAN P. BILBRAY, CALIFORNIA  
BILL SALI, IDAHO  
JIM JORDAN, OHIO

June 17, 2008

Mr. Harry Sargeant, III  
President  
International Oil Trading Company, Ltd.  
3020 North Military Trail, Suite 100  
Boca Raton, FL 33431

Dear Mr. Sargeant:

I am writing regarding recent allegations that Defense Department contractors have been overcharging the U.S. government to ship fuel to U.S. bases in Iraq. According to a recent press account regarding International Oil Trading Company (IOTC), "For each gallon of jet fuel that is delivered to the U.S. military in Iraq, IOTC charges the Pentagon \$1.08 over the market price."<sup>1</sup> According to this account, the Pentagon confirmed that "IOTC was not the lowest bidder" for this contract, but that IOTC was the only company with a "Letter of Authorization" from the Jordanian government, which was a Defense Department requirement in the contract.<sup>2</sup>

To assist the Committee in examining these allegations, I request that you provide the following information relating to your contracts with the Defense Department:

1. Copies of all contracts, task or delivery orders, statements of work, or other agreements between the Defense Department and IOTC or any of its subsidiaries, affiliates, or subcontractors relating to shipping fuel to Iraq;
2. All requests for proposals issued by the Defense Department relating to these contracts;
3. All contract proposals, amendments, modifications, and revisions submitted to the Defense Department relating to these contracts;
4. All communications since January 1, 2005, between IOTC representatives and officials from the Defense Department, including the Defense Logistics Agency and the Defense Energy Support Center, relating to the solicitation and award of these contracts;

---

<sup>1</sup> *Iraq Fuel Deal Sparks Suit*, MSNBC.com (May 28, 2008).

<sup>2</sup> *Id.*

5. Copies of any "Letters of Authorization" or similar documents from the Jordanian government or its representatives to the Defense Department or IOTC or its representatives relating to these contracts, and any communications regarding these letters;
6. All internal audits, evaluations, reports, or other assessments of the performance of IOTC relating to these contracts;
7. The annual amount paid to IOTC under each of IOTC's government contracts from 2003 to 2008; and
8. For each year since 2003, the following information:
  - a. IOTC's total annual profit;
  - b. IOTC's total annual profit from all government contracts; and
  - c. IOTC's total annual profit from all contracts relating to shipping fuel to Iraq.


Please provide this information by Friday, July 11, 2008.

I also request that IOTC officials provide a briefing to Committee staff on your fuel-related contracts with the Defense Department no later than July 11, 2008.

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. An attachment to this letter provides additional information about how to respond to the Committee's request.

If you have any questions about this request, please contact David Rapallo or Steve Glickman of the Committee staff at (202) 225-5420.

Sincerely,



Henry A. Waxman  
Chairman

Enclosure

cc: Tom Davis  
Ranking Minority Member