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United States Courts  
Southern District of Texas  
FILED

JUN 17 2004



Michael R. Milby, Clerk

June 17, 2004

The Honorable Melinda Harmon  
Federal Courthouse  
515 Rusk, Room 9114  
Houston, Texas 77002

Via Hand Delivery

Attn: Helen Tippin

Re: C. A. No. H-01-3624 (and Consolidated Cases); *Mark Newby, et al. v. Enron Corp., et al.*; In the United States District Court for the Southern District of Texas, Houston Division

Dear Judge Harmon:

I write regarding the motion for a stay of depositions filed by the Enron Task Force. On Tuesday, we, along with counsel for some of the other officers and outside directors, filed Certain Insured Defendants' Opposition to Enron Task Force's Second Motion to Stay Depositions and Request for Expedited Consideration ("Insureds' Opposition"). In our opposition, we pointed out that, based on the depositions to which the Task Force had already objected, "one can expect that the Task force will be seeking to delay many of the depositions central to this case. . . . [and] [i]f the Task Force is permitted to stay the majority of the depositions of the most critical witnesses in this case, the Court's current schedule for this case cannot be maintained." (Insureds' Opposition at 9).

The parties recently notified the Task Force of the depositions to be scheduled in Cycle III (August 9 to September 3). Today we received the enclosed e-mail response stating that the Task Force objects to the depositions of five critical witnesses proposed for Cycle III: Bryan Begley, John Bloomer, Bill Collins, David Fleischer, and Arild Holm.

Bryan Begley was a McKinsey representative who was heavily involved in McKinsey's analysis of Enron Broadband Services.

John Bloomer and Bill Collins are former Enron Broadband Services executives. They are two of the most relevant non-defendant witnesses on the technical feasibility of EBS's business plan.

David Fleischer is a Goldman Sachs analyst whose statements are quoted in Lead Plaintiff's complaint.

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Arild Holm was an investment analyst for the Regents of the University of California who was involved with the Regents' investment in Enron. He may be the most important representative of the plaintiff in this case.

As with the witnesses who are the subject of the pending motion, the testimony of these witnesses is expected to provide the jumping off point for additional discovery. We recognize that the Task Force's notice seeking to delay these depositions is permitted under the Court's order of June 1, 2004, and that the merits of the Task Force's objection to these depositions has not yet been briefed. But we wanted to bring the latest notice to the Court's attention because we believe it is relevant to the pending motion concerning the depositions of Jim Fallon, Wanda Curry, and John Griebeling in that it is indicative of how the backlog of staged depositions will steadily grow if the Task Force has its way.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. D. Flack', with a stylized flourish at the end.

Paul D. Flack

cc: All counsel (by posting to ESL3624 website)  
Benton Campbell (by email)

-----Original Message-----

From: Benton.Campbell@usdoj.gov [mailto:Benton.Campbell@usdoj.gov]  
Sent: Thursday, June 17, 2004 10:10 AM  
To: kpatrick@Gibbs-Bruns.com; kpatrick@Gibbs-Bruns.com; Peterson, Mike; Nickens, J.C.;  
Peterson, Mike; Hamrick, Joanna; paulh@mwbhl.com; MOM@mwbhl.com; JAMESJ@mwbhl.com;  
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mgertzman@paulweiss.com; jtarver@paulweiss.com  
Subject: Objections to Deposition Nominees for August 2004 Cycle

Everyone -- this email is to inform you all that, pursuant to Judge Harmon's 6/1/04 order, the Government is objecting to the following deposition nominees for August 2004:

Bryan Begley, John Bloomer, Bill Collins, David Fleischer and Arild Holm.

Please notify us of your position via return email regarding the government's objections. We will file our motion to delay these depositions shortly. Thank you.

Ben Campbell  
Lisa Monaco