

HALLIBURTON

Halliburton Agrees to Acquire Easy Well, Broadening Its Completions, Sand Control and Wellbore Zonal Isolation Offering; Customers to Benefit from Enhanced Ability to Maximize Recovery and Reduce Total Well Costs

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HOUSTON--(BUSINESS WIRE)--Oct. 18, 2005--Halliburton's (NYSE:HAL) Energy Services Group, through its affiliates Halliburton Energy Services, Inc. and HESI Norge Holdings, AS, has signed an agreement to purchase Easy Well Solutions AS, a Norwegian based company with unique downhole technologies with applicability to multiple Halliburton business units.

Easy Well has achieved customer-acceptance with its swelling elastomer solutions, which has been reflected in revenue growth and global success. Revenue has more than doubled year over year for the four years since it was founded in 2001. Easy Well technologies have been successfully deployed in many locations around the world in both land and offshore environments.

"Easy Well has proven the ability to redefine the cost level of wells and enabled advanced well solutions for our customers," said Rune Freyer, founder and president, Easy Well. "Easy Well's technologies are proven in combination with multilaterals, intelligent wells, sand control, high temperature, high pressure, heavy oil, slim hole, water control and marginal reserves. These are only a few of the areas where we enable operators to meet the growing worldwide demand for energy. Easy Well's success is due to alignment with the operators' quest for operational simplicity and the desire for efficient reservoir exploitation. Easy Well technologies reduce risk, improve operational efficiency, increase reserves and reduce well cost."

Easy Well has a range of patented products including Swell Packer(TM) isolation system, Constrictor(TM) annular barrier tool, and Oil Selector(TM) inflow control system.

The Swell Packer isolation system is based on the swelling property of elastomers in hydrocarbons, swelling up to 200 percent to seal the annulus around the pipe, isolating producing zones and adapting to shifts in the formation while retaining the integrity of the seal.

The Constrictor annular barrier tool is an alternative to traditional gravel packs or expandable screens, preventing fines migration in the annulus to maintain production through use of thermodynamic absorption of hydrocarbons in rubber.

The Oil Selector inflow control system, designed around the physics of buoyancy, significantly reduces water and gas breakthrough, vital for multi-zone wells.

"The acquisition of Easy Well is central to our strategy of pursuing technologies that enhance the value of our core product lines as well as a reflection of our ongoing commitment to providing reliability and choice," said Jim Renfro, executive vice president, Halliburton Production Optimization Division. "The addition of Easy Well strengthens our ability to help operators avoid costly downtime and gain efficiency of operation and optimum production. Halliburton's global presence, operational capacity, and value-focused customer relationships mean that more operators can now take advantage of these unique Easy Well technologies."

Pending regulatory approval, the sale may be completed by the end of the year.

About Halliburton:

Halliburton, founded in 1919, is one of the world's largest providers of products and services to the petroleum and energy industries. The company serves its customers with a broad range of products and services through its Energy Services Group and KBR. The company's World Wide Web site can be accessed at www.halliburton.com.

About Easy Well:

Easy Well is a new technology company specializing in novel reservoir completion products. Formed in 2001, its head office is in Stavanger, Norway. Since its inception the company has grown from three employees to a large multi-national cross-functional team with a presence in all significant oil markets and key operating offices in Dubai, Stavanger, Houston, Kuala Lumpur, Russia and Venezuela. The company's website can be accessed at www.easywell.com.

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