

Halliburton Releases CYPHERSM 2.0 Seismic-to-Stimulation Service

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Lowens Operators' Cost per BOE

HOUSTON--(BUSINESS WIRE)--Jun. 23, 2014-- Halliburton (NYSE: HAL) announces the release of the CYPHERSM 2.0 Seismic-to-Stimulation Service, a proprietary and collaborative workflow that links geoscience and reservoir, drilling, and completion engineering to allow operators to better predict and produce unconventional reserves. The CYPHER 2.0 service builds on the complete full-field solution and provides enhanced capabilities through innovative software applications allowing operators to optimize the development of their unconventional reservoirs and reduce their cost per barrels of oil equivalent (BOE).

Powered by Landmark's DecisionSpace® next-generation earth modeling solution, the workflow is unique to the industry in that it is capable of updating dynamically and iteratively with the seismic and well data required to model the structure, rock and fluid properties. Halliburton's petroleum systems modeling technology defines the distribution of hydrocarbons in the unconventional reservoir to aid well placement, while the company's integrated formation evaluation module identifies the sweet spots for optimizing the spacing of perforation clusters.

Key scientific and technological advances in the CYPHER 2.0 service include modelling the interaction of the reservoir's natural fracture networks with the fractures induced by the hydraulic fracturing process. This results in a more accurate fracture network model with which to simulate the production performance of the completion design. Critical operational factors can then be adjusted in real time between stages during the fracture treatment to further optimize well performance. Another advancement is the ability to evaluate, predict and alter perforation cluster efficiency. Leveraging these models to rapidly evaluate the production performance of different well placement and completion design options, Halliburton is able to quickly and iteratively optimize the development plans for operators' shale assets.

"Since we released the CYPHER service in September 2013, we have seen tremendous customer interest and uptake," said Jim Brown, Halliburton's President of the Western Hemisphere. "Projects on shale assets in several North American basins have delivered a 35 percent production increase on average. The CYPHER 2.0 service is a step-change improvement in our ability to deliver better wells for our customers at a lower cost per BOE."

Devon Energy first applied the CYPHER service in the Grasslands Area of the Northern Barnett Shale. After seeing improved production results and EURs with far less production variations between wells, Devon has chosen to incorporate the CYPHER service in the Eagle Ford Shale as part of their technology efforts to help them better understand the reservoir and also aid in the stimulation design to help improve their fracture efficiency and effectiveness.

Synergy Resources Corporation's Chief Operating Officer Craig Rasmuson had this to say after using the CYPHER service: "Halliburton increased the 30 to 90-day production rates with its CYPHER service through prior planning and diligent management of the drilling processes, ultimately increasing the EURs and reserves for Synergy which is why we wholeheartedly endorse the CYPHER service."

The CYPHER service is deployed to all major shale developments in North America and many key international markets through multi-disciplined technical teams, with more than 300 technical professionals trained on major elements of the workflow.

ABOUT HALLIBURTON

Founded in 1919, Halliburton is one of the world's largest providers of products and services to the energy industry. With more than 80,000 employees, representing 140 nationalities in approximately 80 countries, the company serves the upstream oil and gas industry throughout the lifecycle of the reservoir – from locating hydrocarbons and managing geological data, to drilling and formation evaluation, well construction and completion, and optimizing production through the life of the field. Visit the company's website at www.halliburton.com. Connect with Halliburton on [Facebook](#), [Twitter](#), [LinkedIn](#), [Oilpro](#) and [YouTube](#).

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