

HALLIBURTON

JGC/KBR Joint Venture Team Receives \$620 Million Contract to Provide EPC For In Salah Gas Venture in Algeria

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DALLAS, Aug. 15 /PRNewswire/ -- JGC/KBR, a 50/50 joint venture between JGC Corporation of Yokohama, Japan, and Kellogg Brown & Root, a business unit of Halliburton Company (NYSE: HAL), has signed a contract for the engineering, procurement and construction of the In Salah Gas facilities, infrastructure and gathering systems in southern Algeria for BP/Sonatrach.

The world class In Salah Gas development will require an investment of approximately US \$1.7 billion for the first phase and will include the development of three gas fields, which lie between El Golea and In Salah, a distance of some 350 kilometres. Work on the first phase will involve wells and well sites, a gathering system and gas processing facilities including CO2 removal, a compression station and metering systems, and other infrastructure such as roads, airfields, accommodations and offices.

The gas development is located in a remote desert area and a 48-inch export pipeline, to be built by others, will stretch some 500 kilometres to existing facilities at Hassi R' Mel. The first phase of this project is set to deliver nine billion cubic meters of gas to southern Europe. Engineering work will be executed from London by an integrated team, which draws on the strengths of JGC and KBR. Total project duration up to "first gas" is approximately 3 years.

KBR has been continuously present in Algeria executing oil and gas projects for more than 25 years. This strategic win will strengthen the links between KBR and BP/Sonatrach, and add to KBR's growing list of major upstream oil and gas projects in the southern desert of Algeria including Rourde El Baguel, Tin Fouye Tabankort and Hassi Berkine.

"We are delighted to be awarded this world class project," said Randy Harl, President and Chief Executive Officer of KBR. "We have been involved with the In Salah project since 1997, from initial conceptual studies through front end engineering design and we are finally pleased to enter into the execution phase."

JGC Corporation is one of Japan's leading internationally recognized engineering and construction contractors with global headquarters in Yokohama. In its 70 years of history JGC has executed more than 10,000 projects, many on a lump sum turn key basis, for a wide range of industries in over 50 countries.

Kellogg Brown & Root is an international, technology-based engineering and construction company, which provides a full spectrum of industry-leading services for public infrastructure and to the hydrocarbon, chemical, energy, and forest products industries.

Halliburton Company, founded in 1919, is the world's largest provider 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 Engineering and Construction Group business segments. The company's World Wide Web site can be accessed at www.halliburton.com.

JGC and Kellogg Brown & Root have been among the leaders in onshore gas developments and processing for more than 50 years and have made significant contributions in process developments, equipment design and construction methods.

SOURCE Halliburton Company

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