

HALLIBURTON

Halliburton Expands Its Relationship With Vanco Energy Company for Growing Deepwater Exploration Projects

December 12, 2001

DALLAS & HOUSTON--(BUSINESS WIRE)--Dec. 12, 2001--Halliburton (NYSE:HAL) continues to build upon its relationship with Vanco Energy Company with the signing of an agreement for the provision of engineering and consulting services in several deepwater regions offshore West Africa. The agreement comes as Vanco, the largest holder of deepwater exploration licenses in Sub-Saharan Africa, prepares for a major drilling program offshore West Africa, commencing in late 2002. The operator expects to drill at least six deepwater exploratory wells offshore Equatorial Guinea, Cote d'Ivoire, Morocco and Namibia. In addition to the engineering and consulting services agreement, Halliburton is providing Vanco with a LNG project screening study, software licenses and screening tools.

Halliburton sees the Vanco agreement as another step in maintaining its position as the real-time solutions leader in the global deepwater environment. According to Dave Lesar, Halliburton's chairman, president and chief executive officer, "From the introduction of Halliburton's HallLink(TM) high-speed satellite communications network into Africa to the continued advances being made to our existing infrastructure in Angola and Nigeria, Halliburton will continue to help operators leverage their resources in developing opportunities off the coast of West Africa."

Halliburton's business unit, Halliburton Energy Services, is scheduled to begin engineering related work within the next few weeks. Contract work is expected to continue for several years as Vanco works through its extensive deepwater portfolio, with exploration blocks in seven countries: Cote d'Ivoire, Equatorial Guinea, Gabon, Madagascar, Morocco, Namibia and Senegal. Halliburton will provide a variety of engineering and consulting services, including tasks related to reservoir description and well construction planning and engineering, as well as assist in the development of Vanco's overall drilling philosophy.

"With a major drilling program scheduled in just over a year, we knew Halliburton could deliver the necessary expertise and project support for drilling our wells in West Africa's deep water. This relationship with Halliburton will strengthen our capabilities to meet our drilling plans as Operator of these deepwater blocks. It will take us where we need to be in the next twenty-four months," said Vanco's Founder and President Gene Van Dyke.

Drilling engineering work is scheduled to focus on pore pressure/fracture gradient predictions, well trajectory options, casing programs, and testing and completion philosophies. Additionally, drilling time curves and cost estimates are already being created; the use of extended-reach drilling will also be a possibility. Much of the initial engineering and consulting work will be based at Vanco's Houston headquarters with subsequent well construction activities being managed from Vanco offices in each specific country.

In addition to the engineering and consulting contract with Halliburton Energy Services, Vanco has also teamed up with Halliburton's Landmark Graphics Corporation, Granherne and Halliburton KBR. Halliburton KBR worked with Vanco to develop a project screening study related to potential gas market issues in the West Africa development. Landmark Graphics is providing the operator with a complete suite of integrated interpretation software tools, including the SeisWorks(TM) and OpenWorks(TM) tools. Granherne's FieldPlan(TM) screening tool will be used to assist the operator with exploration potential development options. This can be especially useful in water depths up to 12,000 feet.

Halliburton, 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.

Houston-based independent Vanco Energy Company specializes in exploring for oil and gas in deep water. Since 1997, the company has acquired 20.5 million net acres in seven countries offshore Africa. Having completed a major regional 3-D and 2-D seismic survey in 2000 and 2001, Vanco is now preparing for a regional drilling program. Vanco's World Wide Web site can be accessed at www.vancoenergy.com.

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