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KBR Awarded Site Support Services Contract at Los Alamos National Laboratory

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ARLINGTON, Va., Aug 08, 2002 /PRNewsire-FirstCall via Comtex/ -- Today, the U.S. Department of Energy's Los Alamos National Laboratory announced it has selected the team led by Kellogg Brown and Root, Inc. (KBR), as the new site support services contractor. KBR, in a joint venture with the Shaw Group, Inc. (Shaw) and Los Alamos Technical Associates (LATA), will function as a subcontractor to the University of California, which operates the Laboratory. The University's decision to re-compete the subcontract was accompanied by the announcement of its intent to significantly enhance facility operations to bring it to a level comparable to the excellence in science for which Los Alamos National Laboratory is already recognized. KBR is the wholly owned engineering and construction subsidiary of Halliburton (NYSE: HAL).

The contract, which includes a five-year base period, with five, one-year options, has an approximate annual value of \$145 million. The scope includes maintenance services for structures, systems and components in non-reactor nuclear, special use, and non-hazardous facilities. The KBR team will provide maintenance, maintenance planning and work control, including state-of-the-art preventive and predictive maintenance.

"KBR is one of the world's largest operations and maintenance services companies," said Randy Harl, president and CEO of KBR. "Together with Shaw, a nationally renowned leader in the management and operations of nuclear facilities, and LATA, a respected nuclear weapons complex services provider, we bring an unprecedented world-class capability to the Los Alamos National Laboratory. We are excited about the opportunity to partner with the Laboratory to provide outstanding facility services to the many programs, scientists, and researchers that make up our nation's premier nuclear weapons' research center."

In his announcement of the award decision, LANL's Principal Deputy Laboratory Director, Joe Salgado, stated, "I am fully confident that we selected the team that offered the best value and capability to the Laboratory, and I look forward to working with KBR and its partners to continue the process begun by Director Browne to strengthen Laboratory management and operations."

"This project is central to KBR's strategic goal of broadening our client base in major projects," added Joe Lopez. "Under the leadership of KBR general manager Gary Thurber, we will demonstrate our exceptional workforce management, standards-based work control processes, and innovative cost-reduction initiatives which will enhance facility maintenance at the Lab. We look forward to further expanding our operations into the Department of Energy arena."

KBR Government Operations operates throughout the world with major offices in the United States, the United Kingdom, and Australia, specializing in comprehensive facilities engineering, design, development, construction management, operations, maintenance and logistics support for government clients worldwide.

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

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.

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