FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934
For the quarterly period ended March 31, 1998

OR

[ ] Transition Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934
For the transition period from _____ to _____

Commission File Number 1-3492

HALLIBURTON COMPANY

(a Delaware Corporation)
75-2677995

3600 Lincoln Plaza
500 N. Akard
Dallas, Texas 75201

Telephone Number - Area Code (214) 978-2600

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes X No ___

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, par value $2.50 per share:
Outstanding at April 30, 1998 - 262,994,985

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PART I. FINANCIAL INFORMATION
Item 1. Financial Statements.

HALLIBURTON COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(In millions of dollars and shares)

	March 31 1998	December 31 1997
ASSETS		
Current assets:		
Cash and equivalents	$ 93.4	$ 221.3
Receivables:		
Notes and accounts receivable	1,947.4	1,815.8
Unbilled work on uncompleted contracts	418.5	390.0
Total receivables	2,365.9	2,205.8
Inventories	375.7	326.9
Deferred income taxes, current	106.0	106.6
Other current assets	119.8	111.0
Total current assets	3,060.8	2,971.6
Property, plant and equipment, less accumulated depreciation of $2,355.3 and $2,325.3	1,735.7	1,662.7
Equity in and advances to related companies	364.3	338.7
Excess of cost over net assets acquired	318.1	323.1
Deferred income taxes, noncurrent	95.9	91.3
Other assets	229.7	215.6
Total assets	$ 5,804.5	$ 5,603.0
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term notes payable	$ 75.6	$ 2.7
Current maturities of long-term debt	8.1	7.1
Accounts payable	676.8	586.5
Accrued employee compensation and benefits	183.8	262.3
Advance billings on uncompleted contracts	307.3	303.7
Income taxes payable	214.2	213.1
Deferred revenues	46.0	38.4
Other current liabilities	359.8	359.1
Total current liabilities	1,871.6	1,772.9
Long-term debt	538.3	538.9
Employee compensation and benefits	324.8	323.6
Other liabilities	364.3	363.2
Minority interest in consolidated subsidiaries	16.6	19.7
Total liabilities and minority interest	3,115.6	3,018.3
Shareholders' equity:		
Common stock, par value $2.50 per share - authorized 400.0 shares, issued 269.3 and 268.8 shares	673.1	672.0
Paid-in capital in excess of par value	101.9	87.2
Cumulative translation adjustment	(12.3)	(15.0)
Retained earnings	2,032.2	1,947.6
	2,794.9	2,691.8
Less 6.4 and 6.5 shares of treasury stock, at cost	106.0	107.1
Total shareholders' equity	2,688.9	2,584.7
Total liabilities and shareholders' equity	$ 5,804.5	$ 5,603.0

See notes to condensed consolidated financial statements.

HALLIBURTON COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)
(In millions of dollars except per share data)

	Three Months Ended March 31 1998	Three Months Ended March 31 1997
Revenues:		
Energy Group	$ 1,589.2	$ 1,120.3
Engineering and Construction Group	766.1	777.2
Total revenues	$ 2,355.3	$ 1,897.5
Operating income:		
Energy Group	$ 185.0	$ 117.2
Engineering and Construction Group	28.8	29.4
General corporate	(9.8)	(7.9)
Total operating income	204.0	138.7
Interest expense	(11.3)	(6.1)
Interest income	3.4	4.4
Foreign currency gains	2.4	1.0
Other nonoperating income (expense), net	(0.1)	0.6
Income before income taxes and minority interest	198.4	138.6
Provision for income taxes	(77.0)	(52.7)
Minority interest in net income of subsidiaries	(3.6)	(2.9)
Net income	$ 117.8	$ 83.0
Net income per share:		
Basic	$ 0.45	$ 0.33
Diluted	$ 0.44	$ 0.32
Cash dividends paid per share	$ 0.125	$ 0.125

See notes to condensed consolidated financial statements.

HALLIBURTON COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(In millions of dollars)

	Three Months Ended March 31	
	1998	1997
Cash flows used in operating activities:		
Net income	$ 117.8	$ 83.0
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation and amortization	85.4	69.6
Benefit for deferred income taxes	(4.0)	(14.8)
Distributions from (advances to) related companies net of equity in (earnings) or losses	(29.1)	(24.0)
Other non-cash items	2.3	11.6
Other changes, net of non-cash items:		
Receivables	(150.5)	(17.4)
Inventories	(48.4)	(28.8)
Accounts payable	88.2	(121.2)
Other working capital, net	(75.4)	(68.4)
Other, net	(12.3)	22.4
Total cash flows used in operating activities	(26.0)	(88.0)
Cash flows used in investing activities:		
Capital expenditures	(156.3)	(112.2)
Sales of property, plant and equipment	14.6	11.9
Sales (purchases) of businesses, net of cash (disposed) acquired	1.0	(2.1)
Other investing activities	(3.9)	(32.8)
Total cash flows used in investing activities	(144.6)	(135.2)
Cash flows from financing activities:		
Proceeds from long-term borrowings	-	125.2
Borrowings (repayments) of short-term debt	72.9	(34.3)
Payments of dividends to shareholders	(33.2)	(31.5)
Proceeds from exercises of stock options	10.3	34.5
Payments to reacquire common stock	(0.9)	(0.6)
Other financing activities	(5.2)	3.6
Total cash flows from financing activities	43.9	96.9
Effect of exchange rate changes on cash	(1.2)	(1.9)
Decrease in cash and equivalents	(127.9)	(128.2)
Cash and equivalents at beginning of year	221.3	213.6
Cash and equivalents at end of period	$ 93.4	$ 85.4
Cash payments during the period for:		
Interest	$ 19.5	$ 9.8
Income taxes	61.1	25.5

See notes to condensed consolidated financial statements.

HALLIBURTON COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1. Management Representation

The Company employs accounting policies that are in accordance with generally accepted accounting principles in the United States. The preparation of financial statements in conformity with generally accepted accounting principles requires Company management to make estimates and assumptions that affect the reported assets and liabilities, the disclosed contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Ultimate results could differ from those estimates.

The accompanying unaudited condensed consolidated financial statements present information in accordance with generally accepted accounting principles for interim financial information and the instructions to Form 10-Q and applicable rules of Regulation S-X. Accordingly, they do not include all information or footnotes required by generally accepted accounting principles for complete financial statements and should be read in conjunction with the Company's 1997 Annual Report on Form 10-K/A.

In the opinion of the Company, the financial statements include all adjustments necessary to present fairly the Company's financial position as of March 31, 1998, and the results of its operations and cash flows for the three months ended March 31, 1998 and 1997. The results of operations for the three months ended March 31, 1998 and 1997 may not be indicative of results for the full year. Certain prior year amounts have been reclassified to conform with the current year presentation.

Note 2. Comprehensive Income

Comprehensive income as defined by Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income," is net income plus direct adjustments to shareholders' equity. The cumulative translation adjustment of certain foreign entities is the only such direct adjustment recorded by the Company.

	Three Months Ended March 31	
	1998	1997
	(Millions of dollars)	
Comprehensive income:		
Net income	$ 117.8	$ 83.0
Cumulative translation adjustment, net of tax	2.7	(11.2)
Total comprehensive income	$ 120.5	$ 71.8

Note 3. Inventories

	March 31 1998	December 31 1997
	(Millions of dollars)	
Sales items	$ 128.5	$ 114.9
Supplies and parts	171.7	158.1
Work in process	44.8	29.3
Raw materials	30.7	24.6
Total	$ 375.7	$ 326.9

About forty percent of all sales items are valued using the last-in, first-out (LIFO) method. If the average cost method had been in use for inventories on the LIFO basis, total inventories would have been about $3.3 million and $3.4 million higher than reported at March 31, 1998 and December 31, 1997, respectively.

Note 4. General and Administrative Expenses

General and administrative expenses were $58.6 million and $51.0 million for the three months ended March 31, 1998 and 1997, respectively.

Note 5. Income Per Share

Basic income per share amounts are based on the weighted average number of common shares outstanding during the year. Diluted income per share includes additional common shares that would have been outstanding if potential common shares with a dilutive effect had been issued. Prior year amounts have been adjusted for the two-for-one common stock split declared on June 9, 1997 and effected in the form of a stock dividend and paid on July 21, 1997.

The following table reconciles basic and diluted net income.

	Three Months Ended March 31 1998	1997
	(Millions of dollars and shares except per share data)	
Net income	$ 117.8	$ 83.0
Basic weighted average shares	262.6	252.7
Effect of common stock equivalents	3.7	2.8
Diluted weighted average shares	266.3	255.5
Net income per share:		
Basic	$ 0.45	$ 0.33
Diluted	$ 0.44	$ 0.32

Options to purchase 1.1 million shares of common stock were outstanding during the three months ended March 31, 1998 which were not included in the computation of diluted net income per share because the option exercise price was greater than the average market price of the common shares.

Note 6. Related Companies

The Company conducts some operations through various joint ventures, which are in partnership, corporate and other business forms, which are principally accounted for using the equity method. European Marine Contractors, Limited (EMC), which is 50% owned by the Company and part of the Energy Group, specializes in engineering, procurement and construction of marine pipelines. Summarized operating results for 100% of the operations of EMC are as follows:

	Three Months Ended March 31 1998	1997
	(Millions of dollars)	
Revenues	$ 67.4	$ 91.4
Operating income	$ 12.8	$ 6.6
Net income	$ 8.9	$ 4.6

Included in the Company's revenues for the three months ended March 31, 1998 and 1997 are equity in income of related companies of $30.2 million and $20.4 million, respectively.

Note 7. Long-Term Debt

During 1997, the Company issued notes under its medium-term note program as follows:

Amount	Issue Date	Due	Rate	Prices	Yield
$ 125 million	02/11/97	02/01/2027	6.75%	99.78%	6.78%
$ 50 million	05/12/97	05/12/2017	7.53%	Par	7.53%
$ 50 million	07/08/97	07/08/1999	6.27%	Par	6.27%
$ 75 million	08/05/97	08/05/2002	6.30%	Par	6.30%

During March 1997, the Company incurred $56.3 million of term loans in connection with the acquisition of the Royal Dockyard in Plymouth, England (the Dockyard Loans). The Dockyard Loans are denominated in Sterling and bear interest at LIBOR plus 0.75% payable in semi-annual installments through March 2004. Pursuant to certain terms of the Dockyard Loans, the Company was required to provide initially a compensating balance of $28.7 million which is restricted as to use by the Company. The compensating balance amount decreases in equal installments over the term of the Dockyard Loans and earns interest at a rate equal to that of the Dockyard Loans. At March 31, 1998, the compensating balance of $23.6 million is included in other assets in the consolidated balance sheets.

Note 8. Commitments and Contingencies

The Company is involved as a potentially responsible party (PRP) in remedial activities to clean up various "Superfund" sites under applicable Federal law which imposes joint and several liability, if the harm is indivisible, on certain persons without regard to fault, the legality of the original disposal, or ownership of the site. Although it is very difficult to quantify the potential impact of compliance with environmental protection laws, management of the Company believes that any liability of the Company with respect to all but one of such sites will not have a material adverse effect on the results of operations of the Company. With respect to a site in Jasper County, Missouri (Jasper County Superfund Site), sufficient information has not been developed to permit management to make such a determination and management believes the process of determining the nature and extent of remediation at this site and the total costs thereof will be lengthy. Brown & Root, Inc. (Brown & Root), a subsidiary of the Company, has been named as a PRP with respect to the Jasper County Superfund Site by the Environmental Protection Agency (EPA). The Jasper County Superfund Site includes areas of mining activity that occurred from the 1800s through the mid 1950s in the southwestern portion of Missouri. The site contains lead and zinc mine tailings produced from mining activity. Brown & Root is one of nine participating PRPs which have agreed to perform a Remedial Investigation/Feasibility Study (RI/FS), which, due to various delays, is not expected to be completed until the fourth quarter of 1998. Although the entire Jasper County Superfund Site comprises 237 square miles as listed on the National Priorities List, in the RI/FS scope of work, the EPA has only identified seven areas, or subsites, within this area that need to be studied and then possibly remediated by the PRPs. Additionally, the Administrative Order on Consent for the RI/FS only requires Brown & Root to perform RI/FS work at one of the subsites within the site, the Neck/Alba subsite, which only comprises 3.95 square miles. Brown & Root's share of the cost of such a study is not expected to be material. In addition to the superfund issues, the State of Missouri has indicated that it may pursue natural resource damage claims against the PRPs. At the present time Brown & Root cannot determine the extent of its liability, if any, for remediation costs or natural resource damages on any reasonably practicable basis.

The Company and its subsidiaries are parties to various other legal proceedings. Although the ultimate dispositions of such proceedings are not presently determinable, in the opinion of the Company any liability that may ensue will not be material in relation to the consolidated financial position and results of operations of the Company.

Note 9. Acquisitions and Dispositions

During March 1997, the Devonport management consortium, Devonport Management Limited (DML), which is 51% owned by the Company, completed the acquisition of Devonport Royal Dockyard plc, which owns and operates the Government of the United Kingdom's Royal Dockyard in Plymouth, England, for approximately $64.9 million. Concurrent with the acquisition of the Royal Dockyard, the Company's ownership interest in DML increased from about 30% to 51% and DML borrowed $56.3 million under term loans. The dockyard principally provides repair and refitting services for the British Royal Navy's fleet of submarines and surface ships.

During April 1997, the Company completed its acquisition of the outstanding common stock of OGC International plc (OGC) for approximately $118.3 million. OGC is engaged in providing a variety of engineering, operations and maintenance services, primarily to the North Sea oil and gas production industry.

During July 1997, the Company acquired all of the outstanding common stock and convertible debentures of Kinhill Holdings Limited (Kinhill) for approximately $34 million. Kinhill, headquartered in Australia, provides engineering in mining and minerals processing, petroleum and chemicals, water and wastewater, transportation and commercial and civil infrastructure. Kinhill markets its services primarily in Australia, Indonesia, Thailand, Singapore, India and the Philippines.

In 1997, the Company recorded approximately $99.1 million excess of cost over net assets acquired primarily related to the purchase acquisitions of OGC and Kinhill.

On September 30, 1997, the Company completed its acquisition of NUMAR through the merger of a subsidiary of the Company with and into NUMAR, the conversion of the outstanding NUMAR common stock into an aggregate of approximately 8.2 million shares of common stock of the Company and the assumption by the Company of the outstanding NUMAR stock options (for the exercise of which the Company has reserved an aggregate of approximately 0.9 million shares of common stock of the Company). The merger qualified as a tax-free exchange and was accounted for using the pooling of interests method of accounting for business combinations. The Company has not restated its financial statements to include NUMAR's historical operating results because they were not material to the Company. NUMAR's assets and liabilities on September 30, 1997 were included in the Company's accounts of the same date, resulting in an increase in net assets of $21.3 million. Headquartered in Malvern, Pennsylvania, NUMAR designs, manufacturers and markets the Magnetic Resonance Imaging Logging (MRIL(R)) tool which utilizes magnetic resonance imaging technology to evaluate subsurface rock formations in newly drilled oil and gas wells.

In December 1997, the Company sold its environmental services business to Tetra Tech, Inc. for approximately $32 million. The sale was prompted by the Company's desire to divest non-core businesses and had no significant effect on net income for the year.

Note 10. Halliburton / Dresser Merger

On February 26, 1998 the Company and Dresser Industries, Inc. (Dresser) announced that a definitive merger agreement was approved by the board of directors of both companies. Approximately 175 million newly issued shares of Halliburton common stock will be issued to Dresser shareholders at a one-for-one exchange ratio. The transaction will be accounted for by the pooling of interests method of accounting for business combinations and is expected to be tax-free to Dresser's shareholders. The transaction is subject to regulatory approvals in the United States, Europe and several other countries, shareholder approvals and customary closing conditions. Dresser is a diversified company with operations in three industry segments: engineering services; petroleum products and services; and energy equipment. On April 20, 1998 the Company and Dresser announced that the companies have received requests for additional information concerning the proposed merger from the Antitrust Division of the Department of Justice. The requests were not unexpected and both the Company and Dresser plan to respond promptly to the Department of Justice. The companies continue to expect to complete the merger during the fall of 1998.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

BUSINESS ENVIRONMENT

The Company operates in over 100 countries around the world to provide a variety of energy services and engineering and construction services to the petroleum industry and other energy, industrial and governmental customers. Operations in some countries may be adversely affected by unsettled political conditions, expropriation or other governmental actions, exchange controls and currency devaluations. The Company believes the geographic diversification of its business activities reduces the risk that loss of its operations in any one country would be material to its consolidated results of operations.

RESULTS OF OPERATIONS

Revenues

Consolidated revenues increased 24% to $2,355.3 million in the first quarter of 1998 compared with $1,897.5 million in the same quarter of the prior year. Approximately 61% of the Company's consolidated revenues were derived from international activities in the first quarter of 1998 compared to 55% in the first quarter of 1997. Consolidated international revenues increased 36% in the first quarter of 1998 over the first quarter of 1997.

Energy Group revenues increased by 42% compared with a 9% increase in drilling activity as measured by the worldwide rotary rig count for the same quarter of the prior year. United States revenues increased 20% compared to an increase in the United States rig count of 13% over the same quarter of the prior year. International revenues increased by 54%.

Engineering and Construction Group revenues decreased 1% to $766.1 million compared with $777.2 million in the same quarter of the prior year. The decrease in revenues was due to the sale of the environmental services business in December 1997, lower activity in the pulp and paper industry, and lower activity levels in the Group's contract to provide technical and logistical support for military peacekeeping operations in Bosnia. These decreases were partially offset by higher engineering and construction services revenues for chemical construction and maintenance contracts and higher Asia/Pacific revenues due to the Kinhill acquisition.

Operating income

Consolidated operating income increased 47% to $204.0 million for the three months ended March 31, 1998 from $138.7 million for the three months ended March 31, 1997. Approximately 55% of the Company's consolidated operating income was derived from international activities in the first quarter of 1998 compared to 64% in the first quarter of 1997.

Energy Group operating income increased 58% to $185.0 million in the first quarter of 1998 compared with $117.2 million in the same quarter of the prior year. The operating income margin for the first quarter of 1998 was 11.6% compared with 10.5% for the first quarter of 1997. The increase in operating income was largely due to pressure pumping activities in North America, Europe/Africa and Asia/Pacific regions, improved margins on completion products and services and upstream oil and gas engineering services in Europe.

Engineering and Construction Group operating income decreased 2% to $28.8 million compared with $29.4 million for the same quarter in the prior year. Operating income margins were 3.8% for the first quarter of 1998 and 1997. The decrease in operating income reflects the sale of the environmental business in December 1997 and lower activity levels in the Group's contract to provide technical and logistical support for military peacekeeping operations in Bosnia partially offset by improved margins on engineering and construction services contracts.

Nonoperating Items

Interest expense increased to $11.3 million in the first quarter of 1998 compared with $6.1 million during the same quarter of the prior year due primarily to the Company's issuance of debt under the Company's medium-term note program in 1997 for working capital investments and acquisitions.

Interest income decreased to $3.4 million in the first quarter of 1998 compared with $4.4 million during the same quarter of the prior year due to slightly lower levels of invested cash during the period.

The effective income tax rate increased to 38.8% during the first quarter of 1998 from 38% for the first quarter of 1997 and is expected to remain between 38% and 39% for the year of 1998.

Minority interest in net income of subsidiaries was $3.6 million for the first quarter of 1998 compared to $2.9 million for the first quarter of 1997.

Net income

Net income in the first quarter of 1998 increased 42% to $117.8 million, or $0.44 per diluted share, compared with $83.0 million, or $0.32 per diluted share, in the same quarter of the prior year.

LIQUIDITY AND CAPITAL RESOURCES

The Company ended the first quarter of 1998 with cash and cash equivalents of $93.4 million, a decrease of $127.9 million from the end of 1997.

Operating activities

Cash flows used in operating activities were $26.0 million in the first three months of 1998, as compared to $88.0 million in the first three months of 1997. The primary use of operating cash flow was to fund working capital requirements related to increased revenues from the Energy Group and for Engineering and Construction Group projects.

Investing Activities

Capital expenditures were $156.3 million for the first quarter of 1998, an increase of 39% over the same quarter of the prior year. The increase in capital spending primarily reflects investments in equipment and infrastructure for the Energy Group including strategic investments in oil and gas developments. The Company also continued its planned investment in its enterprise-wide information system.

During March 1997, DML, which is 51% owned by the Company, completed the acquisition of Devonport Royal Dockyard plc, which owns and operates the Government of the United Kingdom's Royal Dockyard in Plymouth, England, for approximately $64.9 million. Concurrent with the acquisition of the Royal Dockyard, the Company's ownership interest in DML increased from 30% to 51% and DML borrowed $56.3 million under term loans (the Loans) bearing interest at approximately LIBOR plus 0.75% payable in semi-annual installments through March 2004. Pursuant to certain terms of the Loans, the Company is required to provide initially a compensating balance of $28.7 million which is restricted as to use by the Company. The compensating balance amount decreases in equal installments over the term of the Loans and earns interest at a rate equal to that of the Loans.

Financing activities

Cash flows from financing activities were $43.9 million in the first three months of 1998 compared to $96.9 million in the first three months of 1997. The Company borrowed $70.0 million in short-term funds consisting of bank loans and $2.9 million of other short-term borrowings in the first three months of 1998. In the first three months of 1997, the Company repaid $45.0 million in short-term funds consisting of commercial paper and bank loans and issued $125.0 million principal amount of 6.75% notes under the Company's medium-term note program.

The Company believes it has sufficient borrowing capacity to fund its working capital requirements and investing activities. At March 31, 1998 the Company had committed short-term lines of credit totaling $200.0 million available and unused, and other short-term lines of credit totaling $275.0 million with several U.S. banks. Short-term borrowings of $70.0 million were outstanding under these facilities at March 31, 1998.

FINANCIAL INSTRUMENT MARKET RISK

The Company is currently exposed to market risk from changes in foreign currency exchange rates, and to a lesser extent, to changes in interest rates. To mitigate market risk, the Company selectively hedges its foreign currency exposure through the use of currency derivative instruments. The objective of such hedging is to protect the Company's dollar cash flows from fluctuations in currency rates of foreign denominated sales or purchases of goods or services.

Inherent in the use of derivative instruments are certain types of market risk: volatility of the currency rates, tenor (time horizon) of the derivative instruments, market cycles and the type of derivative instruments used. The Company does not use derivative instruments for trading or speculative purposes. There have been no material changes at March 31, 1998 to the amounts reported at December 31, 1997 to the Company's calculated value at risk from foreign exchange derivative instruments. The Company's interest rate exposures at March 31, 1998 were also materially unchanged from December 31, 1997.

HALLIBURTON / DRESSER MERGER

On February 26, 1998 the Company and Dresser Industries, Inc. (Dresser) announced that a definitive merger agreement was approved by the board of directors of both companies. Approximately 175 million newly issued shares of Halliburton common stock will be issued to Dresser shareholders at a one-for-one exchange ratio. The transaction will be accounted for by the pooling of interests method of accounting for business combinations and is expected to be tax-free to Dresser's shareholders. The transaction is subject to regulatory approvals in the United States, Europe and several other countries, shareholder approvals and customary closing conditions. Dresser is a diversified company with operations in three industry segments: engineering services; petroleum products and services; and energy equipment. On April 20, 1998 the Company and Dresser announced that the companies have received requests for additional information concerning the proposed merger from the Antitrust Division of the Department of Justice. The requests were not unexpected and both the Company and Dresser plan to respond promptly to the Department of Justice. The companies continue to expect to complete the merger during the fall of 1998.

ENVIRONMENTAL MATTERS

The Company is involved as a potentially responsible party in remedial activities to clean up various "Superfund" sites under applicable federal law which imposes joint and several liability, if the harm is indivisible, on certain persons without regard to fault, the legality of the original disposal, or ownership of the site. Although it is very difficult to quantify the potential impact of compliance with environmental protection laws, management of the Company believes that any liability of the Company with respect to all but one of such sites will not have a material adverse effect on the results of operations of the Company. See Note 8 to the financial statements.

YEAR 2000 ISSUE

The Year 2000 issue is the risk that computer programs using two-digit date fields will fail to properly recognize the Year 2000. Such computer system failures by the Company's software and hardware or that of government entities, service providers, vendors and customers could result in business interruptions. In response to the Year 2000 issue, the Company has formed a cross-functional task force responsible for assessing the Company's Year 2000 readiness. The task force has developed a comprehensive plan to assess the Company's Year 2000 risk and is in the process of performing its review. The Company's approach is intended to minimize the number and impact of Year 2000 problems. The Company anticipates that certain software will require replacement or modification. Independent of, but concurrent with, the Company's Year 2000 review, the Company is installing an enterprise-wide business information system. This information system is scheduled to replace approximately two-thirds of the Company's key finance, administrative and marketing software systems before the end of 1999 and is Year 2000 compliant. In addition, the Company is in the process of replacing its desktop computing equipment and software. Based on the Company's review to date, it does not expect the cost of software replacement or modification not currently included in the Company's enterprise-wide information system to be material to its financial position or results of operations.

ACCOUNTING PRONOUNCEMENTS

In June 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information." This standard defines reporting requirements for operating segments and related information about products and services, geographic areas and reliance on major customers. The Company is evaluating the impact of this statement on its current reporting and expects to adopt the new standard for its year ending December 31, 1998, with interim reporting beginning in 1999.

FORWARD-LOOKING INFORMATION

In accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the Company cautions that the statements in this quarterly report and elsewhere, which are forward-looking and which provide other than historical information, involve risks and uncertainties that may impact the Company's actual results of operations. While such forward-looking information reflects the Company's best judgment based on current information, it involves a number of risks and uncertainties and there can be no assurance that other factors will not affect the accuracy of such forward-looking information. While it is not possible to identify all factors, the Company continues to face many risks and uncertainties that could cause actual results to differ from those forward-looking statements. Such factors include: unsettled political conditions, war, civil unrest, currency controls and governmental actions in over 100 countries of operation; trade restrictions and economic embargoes imposed by the United States and other countries; environmental laws, including those that require emission performance standards for new and existing facilities; the magnitude of governmental spending for military and logistical support of the type provided by the Company; operations in countries with significant amounts of political risk, including, without limitation, Algeria and Nigeria; technological and structural changes in the industries served by the Company; computer software and hardware and other equipment utilizing computer technology used by governmental entities, service providers, vendors, customers and the Company which may be impacted by the Year 2000 issue; completion of the announced merger with Dresser; integration of acquired businesses into the Company; changes in the price of oil and natural gas; changes in the price of commodity chemicals used by the Company; changes in capital spending by customers in the hydrocarbon industry for exploration, development, production, processing, refining and pipeline delivery networks; increased competition in the hiring and retention of employees; changes in capital spending by customers in the wood pulp and paper industries for plants and equipment; risks from entering into fixed fee engineering, procurement and construction projects where failure to meet schedule, cost estimates or performance targets could result in non-reimbursable costs which cause the project not to meet expected profit margins; and changes in capital spending by governments for infrastructure. In addition, future trends for pricing, margins, revenues and profitability remain difficult to predict in the industries served by the Company.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

2(a) Agreement and Plan of Merger dated as of February 25, 1998 by and among Halliburton Company, Halliburton N.C., Inc., and Dresser Industries, Inc. (incorporated by reference to Exhibit C to Schedule 13D filed on March 9, 1998).

2(b) Stock Option Agreement dated as of February 25, 1998 by and between Halliburton and Dresser (incorporated by reference to Exhibit B to Schedule 13D filed on March 9, 1998).

3(a) Restated Certificate of Incorporation of the Company (incorporated by reference to the Company's Registration Statement on Form S-3 File No. 333-32731 filed with the Securities and Exchange Commission on August 1, 1997).

3(b) By-laws of the Company, as amended (incorporated by reference to the Company's Registration Statement on Form S-3 File No. 333-32731 filed with the Securities and Exchange Commission on August 1, 1997).

* 27(a) Financial data schedule for the quarter ended March 31, 1998 (included only in the copy of this report filed electronically with the Commission).

* 27(b) Restated financial data schedules for interim periods of 1997 (included only with the copy of this report filed electronically with the Commission).

* 27(c) Restated financial data schedules for interim and annual periods of 1996 (included only with the copy of this report filed electronically with the Commission).

* 27(d) Restated financial data schedule for the year ended December 31, 1995 (included only with the copy of thi s report filed electronically with the Commission).

* filed with this Form 10-Q

(b) Reports on Form 8-K

During the first quarter of 1998:

A Current Report on Form 8-K dated January 22, 1998, was filed reporting on Item 5. Other Events, regarding a press release dated January 22, 1998 announcing fourth quarter earnings.

A Current Report on Form 8-K dated February 17, 1998, was filed reporting on Item 5. Other Events, regarding two press releases dated February 17, 1998, announcing the Company will provide a wide range of services as part of the Terra Nova Alliance for Petro-Canada and the Terra Nova development and an alliance agreement at Elk Hills between two of the Company's business units with Occidental.

A Current Report on Form 8-K dated February 19, 1998, was filed reporting on Item 5. Other Events, regarding a press release dated February 19, 1998 announcing the shareholders' annual meeting and declaration of the first quarter 1998 dividend.

A Current Report on Form 8-K dated February 26, 1998, was filed reporting on Item 5. Other Events, regarding a press release dated March 3, 1997 that the Company and Dresser Industries, Inc. have entered into a definitive merger agreement.

A Current Report on Form 8-K dated March 17, 1998, was filed reporting on Item 5. Other Events, regarding a press release dated March 17, 1998 announcing the postponement of the shareholders' annual meeting.

During the second quarter of 1998 to the date hereof:

A Current Report on Form 8-K dated April 20, 1998, was filed reporting on Item 5. Other Events, regarding a press release dated April 20, 1998 regarding an information request from the U.S. Department of Justice concerning the proposed merger between the Company and Dresser Industries, Inc.

A Current Report on Form 8-K dated April 22, 1998, was filed reporting on Item 5. Other Events, regarding a press release dated April 22, 1998 announcing the Company's first quarter earnings.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HALLIBURTON COMPANY

Date May 6, 1998 By /s/ Gary V. Morris

Gary V. Morris
Executive Vice President and
Chief Financial Officer

Date May 6, 1998 /s/ R. Charles Muchmore, Jr.

R. Charles Muchmore, Jr.
Vice President and Controller
Principal Accounting Officer

Index to exhibits filed with this quarterly report.

Exhibit Number	Description
27(a)	Financial data schedule for the three months ended March 31, 1998.
27(b)	Financial data schedules for the three months ended March 31, 1997; six months ended June 30, 1997; and nine months ended September 30, 1997.
27(c)	Financial data schedules for the three months ended March 31, 1996; six months ended June 30, 1996; nine months ended September 30, 1996; and twelve months ended December 31, 1996.
27(d)	Financial data schedule for the year ended December 31, 1995.

The schedule contains summary financial information extracted from the Halliburton Company consolidated financial statements for the three months ended March 31, 1998, and is qualified in its entirety by reference to such financial statements.

1,000,000
USD

3-mos
Dec-31-1998
Jan-01-1998
Mar-31-1998
1
93
0
2366
0
376
3061
4091
2355
5805
1872
538
0
0
673
2016
5805
0
2355
0
2093
0
0
11
198
77
118
0
0
0
118
0.45
0.44

The schedule contains summary financial information extracted from the Halliburton Company consolidated financial statements for the nine months ended September 30, 1997, six months ended June 30, 1997 and three months ended March 31, 1997 restated for the adoption of SFAS 128 and the common stock split declared on June 9, 1997.

1,000,000
USD

9-mos	6-mos	3-mos
Dec-31-1997	Dec-31-1997	Dec-31-1997
Sep-30-1997	Jun-30-1997	Mar-31-1997
1	1	1
86	50	85
0	0	0
2270	2120	1698
0	0	0
346	350	321
2931	2736	2286
3903	3816	3668
2337	2328	2280
5482	5163	4481
1853	1777	1264
540	425	373
0	0	0
0	0	0
671	650	325
1769	1689	1924
5482	5163	4481
0	0	0
6433	4129	1898
0	0	0
5722	3699	1708
0	0	51
0	0	0
29	16	6
518	312	139
202	121	53
306	185	83
0	0	0
0	0	0
0	0	0
306	185	83
1.21	0.73	0.33
1.19	0.72	0.32

Restated for the adoption of SFAS 128. March 31, 1997 is restated for the two-for-one common stock split declared on June 9, 1997.

This schedule contains summary financial information extracted from Halliburton consolidated financial statements (including Landmark Graphics Corp.) restated for the adoption of SFAS 128 and the common stock split in 1997.

1,000,000
USD

Year	9-mos	6-mos	3-mos
Dec-31-1996	Dec-31-1996	Dec-31-1996	Dec-31-1996
Dec-31-1996	Sep-30-1996	Jun-30-1996	Mar-31-1996
1	1	1	1
214	95	73	154
0	0	0	0
1702	1741	1716	1654
44	0	0	0
292	316	310	307
2398	2399	2330	2353
3561	3499	3448	3425
2269	2275	2276	2284
4437	4314	4105	4028
1505	1511	1362	1341
200	200	200	200
0	0	0	323
0	0	0	0
323	323	323	0
1836	1734	1674	1623
4437	4314	4105	4028
0	0	0	0
7385	5395	3536	1705
0	0	0	0
6731	4961	3262	1592
0	0	0	0
0	0	0	0
24	18	11	5
404	236	182	72
103	44	64	27
300	193	117	46
0	0	0	0
0	0	0	0
0	0	0	0
300	193	117	46
1.20	0.77	0.47	0.18
1.19	0.77	0.47	0.18

Restated for the adoption of SFAS 128 and the two-for-one common stock split declared on June 9, 1997.

The schedule contains summary financial information extracted from Halliburton consolidated financial statements (including Landmark Graphics Corp.) restated for the adoption of SFAS 128 and the common stock split in 1997.

1,000,000
USD

Year
Dec-31-1995
Dec-31-1995
1
240
0
1499
38
256
2186
3422
2264
3862
1198
200
0
0
323
1598
3862
0
5883
0
5260
0
0
47
387
138
249
(66)
0
0
184
0.74
0.74

Restated for the adoption of SFAS 128 and the two-for-one common stock split declared on June 9, 1997.