

UNITED STATES COURTS
SOUTHERN DISTRICT OF TEXAS
ENTERED

FEB - 7 2003

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
VICTORIA DIVISION

Michael N. [unclear], Clerk of Court

EQUAL EMPLOYMENT OPPORTUNITY)
COMMISSION,)
Plaintiff,)
v.)
HALLIBURTON ENERGY SERVICES,)
Defendant.)

Civil Action No. V-01-74

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into between Plaintiff, United States Equal Employment Opportunity Commission (the "EEOC"), and Defendant, Halliburton Energy Services ("HES"), the parties to this agreement. Currently pending in the United States District Court for the Southern District of Texas, Victoria Division, is the lawsuit the EEOC filed on July 9, 2001 against HES styled Equal Employment Opportunity Commission v. Halliburton Energy Services, identified as Civil Action No. V-01-74 (the "Lawsuit").

The Lawsuit is based on a charge of discrimination filed with the EEOC by former HES employee, Ms. Kerry R. Williams, now deceased ("Decedent"). The EEOC initiated this lawsuit under Title I of the Americans with Disabilities Act of 1990 and Title I of the Civil Rights Act of 1991, based on Decedent's allegations of unlawful employment practices on the basis of disability. HES denies and continues to deny the allegations of discrimination in EEOC Charge No. 360-99-1341 and the Lawsuit. The parties agree that there is no "prevailing party" in this action or proceeding.

The EEOC and HES, under the terms of this agreement, wish to amicably resolve and settle



all claims and differences between them related to this matter which have been, or could be, in controversy.

IT IS THEREFORE AGREED as follows:

1. HES is defined throughout this Settlement Agreement to mean and include Halliburton Energy Services, Halliburton Company and its past, present and future owners, parents, subsidiaries, affiliates, divisions, and benefits plans (including trusts), and other related entities, all plans sponsored, maintained or administered by HES, and each of their respective past, present and future shareholders, directors, officers, fiduciaries, employees, agents, insurance carriers, predecessors, successors, assigns, executors, administrators and legal representatives, including but not limited to all persons and entities named or referred to in any part of the Lawsuit or the EEOC charge, in their corporate and individual capacities.

2. This Settlement Agreement resolves all issues and claims raised in EEOC's Complaint in this case, which emanated from a charge of discrimination filed with the EEOC by Decedent, Ms. Kerry R. Williams. EEOC waives further litigation of all issues and claims raised in the above referenced Complaint and Decedent's charge. EEOC expressly reserves its right, however, to process and litigate any other charges which may now be pending or may in the future be filed against HES. Nothing in this Agreement shall be construed to preclude any party from enforcing this Agreement in the event that any party fails to perform the promises and representations contained herein.

3. Decedent is defined throughout this Agreement to mean and include Kerry R. Williams in any representative capacity (including corporate), and her heirs, executors, administrators, successors, beneficiaries, and assigns.

4. Williams is defined throughout this Agreement to mean and include Roy Lee Williams, the surviving spouse and sole heir of the Decedent, acting both in a representative capacity for Decedent, and in an individual capacity, and his heirs, executors, administrators, successors, beneficiaries and assigns. Williams will act on behalf of the Decedent for the purpose of the settlement and release of the Decedent's claims arising from or related to the EEOC charge and lawsuit filed by the EEOC.

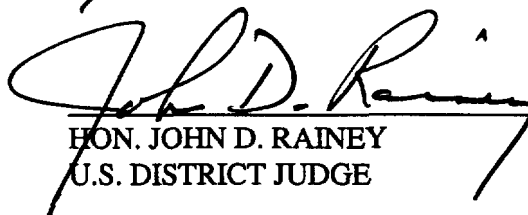
5. HES shall pay to Roy Lee Williams, the total sum of \$35,000.00 (Thirty Five Thousand Dollars), payable within ten days following the proper execution of a waiver or release of claims by the Administrator of the Estate of Kerry Williams and provided that the EEOC has executed this Settlement Agreement. A copy of the settlement check, and any accompanying transmittal documents shall be forwarded by HES to Robert B. Harwin, Regional Attorney, San Antonio District Office, United States Equal Employment Opportunity Commission, 5410 Fredericksburg Road, Suite 200, San Antonio, Texas 78229.

6. The terms of this Settlement Agreement shall be binding upon the EEOC and HES, its agents, officers, employees, servants, successors, and assigns, as to the issues resolved herein.

7. The parties to this Settlement Agreement shall bear their own costs and attorney's fees incurred in this action and agree to dismiss this case with prejudice in accordance with the attached

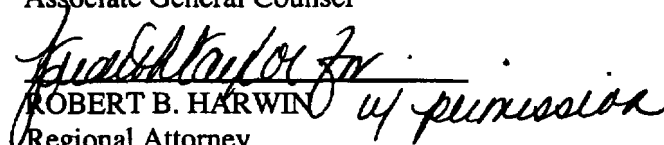
Joint Motion for Dismissal of Action.

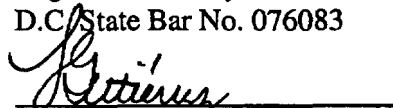
SO ORDERED this 7th day of February 2003.

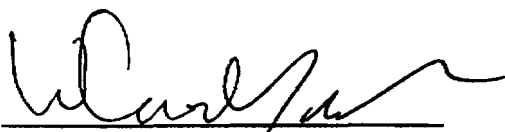

HON. JOHN D. RAINEY
U.S. DISTRICT JUDGE

Respectfully Submitted,

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Settlement Agreement


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