

HALLIBURTON COMPANY COMPENSATION COMMITTEE CHARTER

I. Role

The role of the Compensation Committee is to establish and oversee the compensation policies and practices of Halliburton Company on behalf of its Board of Directors. It is the Committee's responsibility to review, monitor, approve and recommend, as applicable, compensation policies, plans and actions, and make appropriate reports to the Board of Directors. The primary purpose of the Committee is to ensure that the Company's compensation program is effective in attracting, retaining and motivating key employees, that it reinforces business strategies and objectives consistent with the Company's goals and that it is administered in a fair and equitable manner consistent with established policies and guidelines.

II. Committee Organization and Operations

Member Appointments, Qualifications, and Removals. The Compensation Committee shall consist entirely of at least three independent, non-employee Directors. Committee members shall be appointed by the full Board of Directors for a one-year term beginning immediately following the Annual Meeting of Stockholders each year. A Chairperson shall be designated by the Board from among the members appointed. Committee members shall be chosen based on their competence and ability to add substance to the deliberations of the Committee. Members of the Committee shall have no relationship to the Company that could interfere with the exercise of their independence from management and the Company. At the discretion of the Board, any member may be removed during the one year term for any reason, including loss of member independence. The composition of the Committee shall be reviewed annually to ensure that each of its members meet the criteria set forth in applicable Securities and Exchange Commission, New York Stock Exchange and Internal Revenue Service rules and regulations.

Compensation Committee members shall devote sufficient attention to their duties to enable them to fully understand the environment in which the Company's compensation program operates as well as to understand and apply principles of competitive compensation practice.

Committee Reports. The Chair of the Committee will report regularly to the full Board of Directors on the Committee's activities and decisions including, but not limited to, the results of the Committee's self-evaluation and any recommended changes to the Committee's Charter.

Meeting Structure. The Committee shall meet a minimum of four times per year. The Secretary of the Company shall be the Secretary of the Board Compensation Committee unless the Committee designates otherwise. In the absence of the Chair during any Committee meeting, the Committee may designate a Chair pro tempore. The Committee shall act only on the affirmative vote of a majority of the members at a meeting or by unanimous written consent.

Subcommittees. The Committee may establish subcommittees consisting of one or more members to carry out such duties as the Committee may assign. Such subcommittees must establish and publish a separate Charter.

III. Responsibilities

The Compensation Committee shall be generally responsible for the Company's overall compensation philosophy and objectives, and specifically responsible for reviewing, approving and monitoring compensation strategies, plan design, guidelines and practices as they relate to senior management.

The Compensation Committee shall be responsible for 1) specifically reviewing and approving compensation for specified officers as provided in Halliburton Company Policy 3-9002 (or any successor policy) and 2) generally reviewing and monitoring compensation for other employees, both as agreed by the Compensation Committee at the start of each year. The scope of the Committee's authority includes, among other things, the following responsibilities:

1. Developing and approving an overall executive compensation philosophy, strategy and framework consistent with corporate objectives and stockholder interests.
2. Producing an annual report on executive compensation as required by the SEC for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations.
3. Reviewing the evaluation of the Chief Executive Officer's (CEO's) performance by the Management Oversight Committee and then, based upon such evaluation, making a recommendation to the independent members of the Board of Directors regarding the CEO's compensation for the next year.
4. Specifically reviewing and approving all actions relating to compensation, promotion and employment-related arrangements (including severance arrangements) for specified officers of the Company, its subsidiaries and affiliates.
5. Establishing annual performance criteria and reward schedules under the Company's Annual Performance Pay Plan (or any other similar or successor plans) and certifying the performance level achieved and reward payments at the end of each plan year.
6. Establishing performance criteria and award schedules under the Company's Performance Unit Program (or any other similar or successor plans) and certifying the performance level achieved and award payments at the end of each performance cycle.
7. Approving any other incentive or bonus plans applicable to specified officers of the Company, its subsidiaries and affiliates.
8. Administering awards under the Company's 1993 Stock and Incentive Plan and Supplemental Executive Discretionary Retirement Plan (or any other similar or successor plans).
9. Selecting an appropriate peer group or peer groups against which the Company's total executive compensation program is measured.
10. Reviewing and approving or recommending to the Board of Directors, as appropriate, major changes to, and taking administrative actions associated with, any other forms of non-salary compensation under its purview.

11. Reviewing and approving the stock allocation budget among all employee groups of the Company, its subsidiaries and affiliates.
12. Monitoring and reviewing periodically overall compensation program design and practice to ensure continued competitiveness, appropriateness and alignment with established philosophies, strategies and guidelines.
13. Reviewing and approving appointments to the Administrative Committee which oversees the day-to-day administration of certain non-qualified executive compensation plans.
14. Retaining persons having special competence (including consultants and other third-party service providers) as necessary to assist the Committee in fulfilling its responsibilities and maintaining the sole authority to retain and terminate these persons, including the authority to approve fees and other retention terms.
15. Performing such other duties and functions as the Board of Directors may from time to time delegate.

IV. Committee Evaluation and Charter Review

The Committee will annually complete an evaluation of its performance and effectiveness and will annually review the Committee's Charter.

V. Resources and Authority of the Committee

The Committee has the authority to retain, set terms of engagement, and dismiss such outside advisors, including compensation consultants, legal counsel or other experts, as it deems appropriate, and to approve the fees and expenses of such advisors.

Approved as revised: Board of Directors of
Halliburton Company
December 7, 2005

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