

HALLIBURTON

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Evelyn Angelle
Vice President - Corporate Controller and
Principal Accounting Officer



LETTER OF COMMENT NO. /0

April 30, 2008

Mr. Russell G. Golden
Director of Technical Application and Implementation Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: Proposed FASB Staff Position No. 132(R)-a, "Employers' Disclosure about Pensions and Other Postretirement Benefits"

Dear Mr. Golden:

Halliburton appreciates the opportunity to comment on the Financial Accounting Standards Board (the "FASB") proposed FASB Staff Position No. FAS 132(R)-a, "Employers' Disclosure about Pensions and Other Postretirement Benefits" (the "proposed FSP").

We have some general comments before answering the specific questions raised in the proposed FSP. Our perspective is that of a United States-based large accelerated filer with both domestic and international plans. We have a current market capitalization of approximately \$40 billion and 2007 revenue in excess of \$15 billion. At December 31, 2007, our plans, which had a total fair value of plan assets of \$831 million, were underfunded by \$153 million, which represented 1% of our total assets.

General Comments

We believe the current required disclosures related to pensions are already more extensive than necessary. Of the 34 pages of notes to consolidated financial statements in our 2007 Form 10-K, the pension disclosures account for over four of the pages and represent the second longest note (behind Commitments and Contingencies).

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Having recently spent nearly three years as our Company's Vice President of Investor Relations, I have insight on what type of information is important to investors. Pension disclosures are not important to our investors. In fact, in the numerous conversations I had with both buy side and sell side members of the investment community during my time leading Investor Relations, I never received a question about pensions. Investors are focused on understanding the drivers to our business, our strategy, the quality of our management team, trends in earnings (particularly by segment and region), planned uses of cash, differentiation from peers (e.g., through technologies and market leadership), and balance sheet quality (e.g., use of leverage).

The proposed FSP appears to try to bring transparency to readers about specific types of investments underlying the plan assets in order to identify potential concentrations of risk. In addition, the proposed additional disclosures regarding fair value measurement techniques seem to be trying to identify investments that are being measured using less reliable methodologies than, for example, quoted market prices. While such information might be useful for plan participants, it would rarely be important to investors or potential investors of a registrant.

I believe if the investor is interested in the pension situation, they would take a quick look to see what the funded status of the plans was. If underfunded, they might look at the balance sheet and the statement of cash flows to ascertain if the registrant had sufficient assets currently (such as cash) or sufficient projected cash flows to address an underfunded situation should the need arise, even if the fair value of the plan assets were to deteriorate. For Halliburton, an investor would likely make this assessment and determine that our company has sufficient cash on hand and projected cash flows to handle any type of reasonably possible drop in the fair value of plan assets. And, of course, they would consider that the plan assets were in place for long-term periods to service the retirees in the future, not just today, so short-term negative changes to the fair value of plan assets would likely turn around in the long term.

The constituents most interested in the detailed makeup of the plan assets are the beneficiaries of the plans. For each of our domestic plans and most of our foreign plans, we are required to make available to plan participants annually, among other things, audited financial statements of the applicable plans. These audited financial statements disclose not only detailed investment categories (e.g., cash and equivalents, collateral received for securities loaned, derivatives, domestic bonds, foreign bonds, Halliburton stock, other domestic stocks, foreign stocks, common/collective trust funds, mutual funds, etc.), but also techniques used to value these assets as of the balance sheet dates. Since this information is available to most plan beneficiaries, we believe there is no need to adopt the enhanced proposed disclosures for the registrant.

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The FASB may feel investors evaluating companies that are in a significant underfunded situation AND that hold a large amount of "alternative" or concentrated investments in their plan assets might benefit from gaining additional insight into the types of investments held. It would be important to define "significantly underfunded," such as an underfunded amount in excess of 20% of the registrant's total assets. The information about alternative or concentrated investments could be identified by requiring registrants to disclose a breakdown of plan assets outside of traditional "plain vanilla" investments (such as cash, equity investments, bonds, and insurance contracts). For example, if the plan assets were made up of more than 10% of a certain stock, commodity, hedge funds or real estate, that fact could be disclosed. Limiting the requirement for enhanced pension disclosures to only those registrants who have a reasonable likelihood of significant fair value declines in plan assets that would require additional employer contributions would at least stabilize the already burdensome pension disclosures to which registrants are currently subject.

Specific Comments

Question 1 - Is the principle of disclosing categories by type of plan asset understandable?

Yes, the principle of disclosing by asset category is understandable. However, we feel it is not necessary to require this disclosure of all registrants. Rather, it might be beneficial to require such disclosure of registrants who are in a significant underfunded situation and also invest in high concentrations of nontraditional securities.

Question 2 - Are the asset categories that must be disclosed, if significant, representative of the type of assets held in postretirement plans? Should any other categories be added?

Yes, the asset categories are representative of the type of assets held in Halliburton's postretirement plans. It might be helpful to expand or define the "significant" threshold for the asset category disclosure requirements, such as 10% of total plan assets.

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Question 3 - Is the requirement to disclose concentration of risk arising within or across categories of plan assets from a lack of diversification understandable, and is this information useful?

We believe disclosure of this type of information is only useful in certain circumstances, such as when a registrant is in a significant underfunded situation and also invests in high concentrations of nontraditional securities.

If required, further clarification around the disclosure requirements for concentrations of risks across categories of plan assets would be helpful, including providing a quantitative threshold such as 10% of plan assets. Further, plans specific to our United States, United Kingdom and Canadian employees each invest primarily within their home country. These situations would typically give the appearance of an elevated concentration of country risk when in fact that is not the case, so that type of disclosure may not be useful.

Question 4 - Would the disclosure about fair value measurement of plan assets provide decision-useful information?

Disclosures about the fair value measurement of plan assets would provide meaningful information to users of the registrant's financial statements only in certain limited situations. For example, elevated liquidity risk might exist for a registrant that is in a significant underfunded situation and also invests in high concentrations of nontraditional securities, particularly in circumstances where a significant portion of the plan assets are valued using Level 3 techniques. For these reasons, we believe this type of disclosure should not be required for the broad population of registrants.

Question 5 - Would any of the required disclosure impose excessive incremental costs? If so, please describe the nature and extent of the additional costs.

We may incur additional fees charged by our custodians to provide the information needed; however, our US custodians have yet to determine the cost for them to provide this information. In addition, we would incur additional internal costs to gather and compile the information for disclosure purposes, as well as additional costs to audit this information.

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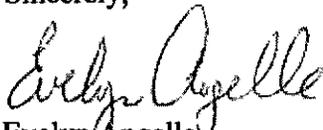
Question 6 - Is the time needed to compile the information required to support annual reporting disclosure sufficient given the proposed effective date for fiscal years ending after December 15, 2008?

Our ability to compile the information for disclosure purposes depends on whether or not the custodians in non-US countries can provide the information. If our non-US custodians are unable to provide the information, we would have to gather the information from each investment manager which would be more time consuming.

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We appreciate the opportunity to provide our comments and would also welcome a discussion of this proposed FSP with you or any member of the FASB staff. If you should require additional information, please contact me at (281) 575-4770.

Sincerely,


Evelyn Angelle

Copy to: Phil Smith, KPMG