



News Release

Engineering contract for Mackenzie Gas Project awarded to COLTKBR

Calgary, AB., May 16, 2002 - Imperial Oil Resources, on behalf of the Mackenzie Delta Producers Group, has awarded the conceptual and preliminary engineering for the Mackenzie Gas Project to COLTKBR. Headquartered in Calgary, COLTKBR is a long-term joint venture of Colt Engineering Corporation (Colt) and Kellogg Brown & Root (KBR).

The engineering work will assist in optimizing the commercial viability of the Mackenzie Gas Project and support the development of regulatory applications. Imperial is the operator of the gas gathering and pipeline systems for the project.

The Mackenzie Gas Project involves natural gas production facilities, compression and gathering pipelines in the Mackenzie Delta area, with a pipeline to the Norman Wells area where a liquid recovery and compression facility will be installed. A natural gas pipeline with compression facilities will then proceed south from Norman Wells through the Mackenzie Valley into northwestern Alberta.

Speaking on behalf of the Mackenzie Delta Producers Group and the Mackenzie Valley Aboriginal Pipeline Corporation (MVAPC), K.C. Williams, senior-vice president and director of Imperial Oil Limited, said "awarding this contract marks another significant step towards the preparation and filing of regulatory applications for the Mackenzie Gas Project. As the Producers Group and the MVAPC continue to move forward, we will ensure the project remains focused on safety, care for the natural environment and technical quality, as well as the owners' shared objectives for Aboriginal and northern involvement."

John Read, Chief Executive Officer of Colt Engineering Corporation, acknowledged "COLTKBR is extremely pleased and excited to be awarded this contract and to be involved in this significant Canadian project. COLTKBR understands the performance expectations that the Mackenzie Delta Producers Group have for this project, including the importance of the involvement of Aboriginal and northern peoples in work related to this contract."

Engineering services will be executed in Imperial's and Colt's offices in Calgary, with the participation of specialists from the Mackenzie Gas Project owners and COLTKBR.

Colt is a major Canadian engineering contractor with more than 2,200 employees. Colt provides multi-discipline engineering, procurement, construction management and construction services to the upstream and downstream oil and gas industries in North America and internationally. Additional information is available at: www.colteng.com

KBR, the wholly owned engineering and construction subsidiary of Halliburton (NYSE: HAL) 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. Founded in 1919, Halliburton is one of the world's largest providers of products and services to the petroleum and energy industries. The company's World Wide Web can be accessed at www.halliburton.com.

The Mackenzie Delta Producers Group - Imperial, Conoco Canada Limited, Shell Canada Limited and ExxonMobil Canada, and the MVAPC announced their intent earlier this year to begin preparation of regulatory applications needed to develop on-shore natural gas resources in the Mackenzie Delta, including a Mackenzie Valley Pipeline. The MVAPC is an entity created by the Aboriginal Pipeline Group (APG) to represent and hold the interest of the Aboriginal peoples of the Northwest Territories in a Mackenzie Valley Pipeline.

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