



The St. Joe Company Files Lawsuit against Halliburton for Role in Deepwater Horizon Oil Spill

WaterSound, Florida - (August 4, 2010) -The St. Joe Company (NYSE: JOE) today announced it filed a lawsuit against Halliburton Energy Services, Inc. ("Halliburton") for its role in the Deepwater Horizon Oil Spill ("the incident"). Halliburton was the cementing contractor for the Macondo well that blew out on April 20, 2010, resulting in the largest oil spill in U.S. history.

Filed today in Superior Court for the State of Delaware, New Castle County, the lawsuit charges Halliburton with having been grossly negligent in the performance of its duties.

"We believe that Halliburton was grossly negligent and bears full responsibility for this tragic accident," says William A. Brewer III, partner at Bickel & Brewer and lead counsel for St. Joe. "We believe Halliburton's participation in the cementing process - and the company's willful disregard of important safety measures - make it liable for the Deepwater Horizon Oil Spill and the catastrophic damages that it caused."

According to the lawsuit, Halliburton was a key participant in a number of systemic failures that contributed to the incident. The lawsuit alleges the company was grossly negligent in its management of the well cementing process - a fundamental part of deepwater drilling that is critical to preventing oil and gas from escaping from the well. According to the lawsuit, "...Halliburton failed at every stage to cement the well in accordance with applicable regulations, industry standards, and its own best practices. As a result, the cementing failed, allowing oil and gas to escape the well which caused the catastrophic blowout."

Halliburton is the largest company in the global cementing business. The lawsuit claims that the company failed to use an appropriate number of centralizers (attachments that go around the casing as it is being lowered into the well to keep the casing in the center of the borehole), committed numerous errors throughout the Deepwater Horizon cementing process, and intentionally opted for a faster, cheaper and inferior process of completing the final stages of the cement process. The result of these choices was that there were fewer barriers to the dangerous escape of oil and gas flow. With respect to the use of only six centralizers, the complaint says, "...Halliburton, despite having already determined that such a procedure would produce a 'failure of the cement job,' again sacrificed principles and moved forward with the final sealing of the well in an unsafe and grossly negligent manner, rather than insisting on using the necessary number of centralizers, creating an imminent safety hazard."

The lawsuit represents the first legal action taken by St. Joe in the aftermath of the Deepwater Horizon incident. The Company owns approximately 577,000 acres in Florida, 70 percent of which are within 15 miles of the coast of the Gulf of Mexico. Since the incident, St. Joe has suffered a substantial decline in its enterprise value - faced with direct costs, an interruption to its business, and the diminution in the value of its assets. The Company's stock price declined by over 40 percent in the days following the explosion.

St. Joe's President and CEO Britt Greene commented on today's filing and the Company's efforts to pursue a full and appropriate remedy for the damages it has incurred since the April 20, 2010 disaster. "We believe Halliburton is among those parties that should accept responsibility for this accident and the harm it has caused our Company and others throughout the Gulf Coast region," said Greene. "The lawsuit represents an important first step in our effort to achieve a full and complete recovery for the damages suffered by St. Joe. At the same time we aggressively pursue these remedies, we remain focused on our strategic plan - and delivering long-term value to our shareholders."

About St. Joe

The St. Joe Company, a publicly held company currently based in WaterSound, is one of Florida's largest real estate development companies and Northwest Florida's largest private landowner. St. Joe is primarily engaged in real estate development and sales, with significant interests in timber. More information about the Company can be found on its website at www.joe.com.

About Bickel & Brewer

Founded in 1984, Bickel & Brewer has earned a reputation as one of the most successful law firms in the United States practicing exclusively in the field of complex commercial litigation and dispute resolution. With offices in New York and Dallas, Bickel & Brewer represents a wide spectrum of industry leaders - from entrepreneurs to Fortune 500 corporations - facing the most challenging of legal issues. Visit Bickel & Brewer at www.bickelbrewer.com.

Forward-Looking Statements

Statements in this press release that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about our beliefs, plans, goals, expectations and intentions. Forward-looking statements involve risk and uncertainty, and there can be no assurance that the results described in such statements will be realized. Such statements are based on our current expectations and we undertake no obligation to publicly update or reissue any forward-looking statements. Risk factors that may cause the actual results to differ are described in this press release and in various documents we have filed with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2009, and our Quarterly Reports on Form 10-Q.

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