

STONE ENERGY CORPORATION

Announces Provision of Notice to its Banks

LAFAYETTE, LA. February 22, 2006

Stone Energy Corporation (NYSE:SGY) announced that it has provided notice to Bank of America, N.A., as administrative agent for the banks that are party to its Credit Agreement, of its receipt of notices of non-compliance from holders of its 6.75% Senior Subordinated Notes Due 2014 for failure to file its SEC reports and financial statements. The Credit Agreement requires, as a condition to additional borrowing, that there be no default or event of default under other debt instruments. Accordingly, Stone will be unable to borrow additional funds under the Credit Agreement until it cures any default or event of default by filing its delinquent SEC reports and financial statements. As of February 22, 2006, Stone had borrowings and letters of credit of \$186 million under its Credit Agreement. Stone does not expect liquidity problems provided it files its SEC reports and financial statements in mid-March, as currently planned.

Stone Energy is an independent oil and gas company headquartered in Lafayette, Louisiana, and is engaged in the acquisition and subsequent exploration, development, operation and production of oil and gas properties located in the conventional shelf of the Gulf of Mexico (GOM), deep shelf of the GOM, deep water of the GOM, Rocky Mountain Basins and the Williston Basin. For additional information, please contact Kenneth H. Beer, Senior Vice President and Chief Financial Officer, at 337-521-2210-phone, 337-237-0426-fax or via e-mail at CFO@StoneEnergy.com.

Certain statements in this press release are forward-looking and are based upon Stone's current belief as to the outcome and timing of future events. All statements, other than statements of historical facts, that address activities that Stone plans, expects, believes, projects, estimates or anticipates will, should or may occur in the future, including future production of oil and gas, future capital expenditures and drilling of wells and future financial or operating results are forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements herein include the timing and extent of changes in commodity prices for oil and gas, operating risks and other risk factors as described in Stone's Annual Report on Form 10-K as filed with the Securities and Exchange Commission. Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, Stone's actual results and plans could differ materially from those expressed in the forward-looking statements.