

# OCEAN RIG



## **OCEAN RIG UDW INC. ANNOUNCES THE AWARD OF \$1.1 BILLION IN CONTRACTS FOR NEWBUILD UDW DRILLSHIPS**

Nicosia, Cyprus – May 12, 2011 - Ocean Rig UDW Inc. (“Ocean Rig”), a global provider of offshore deepwater drilling services announced it was awarded contracts for the *Ocean Rig Corcovado* and the *Ocean Rig Mykonos* by Petróleo Brasileiro S.A. (“Petrobras”) for drilling offshore Brazil. The term of each contract is 1095 days, with a total combined value of \$1.1 billion. The contract for the *Ocean Rig Mykonos* will commence directly after delivery from Samsung Heavy Industries in September 2011, while the contract for the *Ocean Rig Corcovado* will commence in direct continuation of the current contract with Cairn Energy offshore Greenland. The documents pursuant to the award are expected to be executed in the coming weeks.

George Economou, Chairman and CEO commented:

“We are excited about the opportunity to build a strategic relationship with the largest customer in the ultra deepwater space. We now have three contracts with Petrobras, including the Ocean Rig Poseidon thus demonstrating the customer’s trust in our operating ability and the quality of the assets. Ocean Rig will set up an operations organization in Brazil and will seek to enhance the relationship with Brazilian suppliers.

Ocean Rig has entered a new phase in its development as we double our backlog to \$2 billion and respond to our customer’s growing requirements with the contracting of two seventh generation drillships. Assuming drawdown on the DB facility for the Ocean Rig Mykonos, we have more than sufficient liquidity to fully fund the remaining payments on the two recently ordered drillships without needing any further debt. Ocean Rig is positioned as the largest single pure play in the ultra deepwater drilling space and continues to deliver on its strategy to build a credible and competitive pure play in this space. We are working towards listing the Company on an international exchange and expect to have this done in the next couple of months.”