OCEAN RIG UDW INC. ANNOUNCES EXERCISE OF OPTION TO CONSTRUCT 7TH GENERATION UDW DRILLSHIP

Nicosia, Cyprus – June24, 2011 - Ocean Rig UDW Inc. ("Ocean Rig"), a global provider of offshore deepwater drilling services announced today it exercised its third newbuilding option to construct a 7th Generation Ultra Deepwater Drillship at Samsung Heavy Industries. This 7th generation drillship is a sister ship to the two previously-exercised options in April 2011. The higher specifications of these ships include:

- Capability to drill in 12,000 feet of water depth
- a seven ram BOP
- a dual mud system
- enhanced riser handling and storage system
- ballast water treatment system

Total yard cost of this drillship is approximately $608 million, out of which a total amount of about $242 million has already been paid to the yard from cash on hand. The remaining amount of approximately $366 million is payable upon delivery currently scheduled for November 2013.

George Economou, Chairman and CEO commented:

" The demand for ultradeepwater drilling units is strengthening every day and we see substantial growth in the next several years from across the globe. By exercising our third option for delivery in 2013 we are in a unique position to take advantage of the positive market fundamentals. The attractive price and payment terms allows us sufficient time to increase the backlog and arrange financing on attractive terms.

We are truly in the midst of a new and exciting phase for Ocean Rig UDW Inc. With financing in place, our strong balance sheet, the contract backlog of $2 billion on our existing fleet and our sizable free cash position today, OCR UDW is well positioned to become the leading international drilling contractor of choice."