



## **Share purchase program for common stock of Ocean Rig UDW Inc**

December 22, 2010 - DryShips Inc. ("DryShips"), the majority owner of Ocean Rig UDW Inc., announced today that its Board of Directors has approved a share purchase program for up to a total of \$25.0 million of common stock of Ocean Rig UDW Inc., which may be purchased from time to time through March 31, 2011.

Share purchases by DryShips will be made for cash in open market transactions in Norway on the OTC market at prevailing market prices or in privately negotiated transactions; provided that the maximum price shall be \$17.50 per share. The timing and amount of purchases under the program will be determined by DryShips management based upon market conditions and other factors.

The program does not require DryShips to purchase any specific number or amount of Ocean Rig UDW Inc. common stock and may be suspended or reinstated at any time in DryShips's discretion and without notice.

DryShips will report any purchases made under the program on the OTC information system.

DryShips currently own 103,125,500 common stock of Ocean Rig UDW Inc, representing about 78.3% of the issued and outstanding common stock of Ocean Rig UDW Inc. This press release shall not be deemed an offer to purchase or a solicitation of an offer to sell common stock of Ocean Rig UDW Inc.

### *About Ocean Rig*

Ocean Rig is an international offshore drilling contractor providing oilfield services for offshore oil and gas exploration, development and production drilling, and specializing in the ultra-deepwater and harsh-environment segment of the offshore drilling industry. The company owns and operates two ultra-deepwater semi-submersible offshore drilling rigs, and has new building contracts with Samsung for the construction of four state-of-the-art advanced capability ultra-deepwater drill ships for delivery in 2011.

*NOTE: Matters discussed in this release may constitute forward-looking statements. Forward-looking statements relate to Ocean Rig's expectations, beliefs, intentions or strategies regarding the future. These statements may be identified by the use of words like "anticipate", "believe", "estimate", "expect", "intend", "may", "plan", "project", "should", "seek", and similar expressions. Forward-looking statements reflect Ocean Rig's current views and assumptions with respect to future events and are subject to risks and uncertainties.*

*The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in Ocean Rig's records and other data available from third parties. Although Ocean Rig believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond Ocean Rig's control, Ocean Rig cannot assure you that it will achieve or accomplish these expectations, beliefs or projections described in the forward-looking statements contained herein. Actual and future results and trends could differ materially from those set forth in such statements.*

*Important factors that, in Ocean Rig's view, could cause actual results to differ materially from those discussed in the forward-looking statements include (i) factors related to the offshore drilling market, including supply and demand, utilization, day rates and customer drilling programs; (ii) hazards inherent in the drilling industry and marine operations causing personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties or customers and suspension of operations; (iii) changes in laws and governmental regulations, particularly with respect to environmental matters; (iv) the availability of competing offshore drilling vessels; (v) political and other uncertainties, including risks of terrorist acts, war and civil disturbances; piracy; significant governmental influence over many aspects of local economies, seizure; nationalization or expropriation of property or equipment; repudiation, nullification, modification or renegotiation of contracts; limitations on insurance coverage, such as war risk coverage, in certain areas; political unrest; foreign and U.S. monetary policy and foreign currency fluctuations and devaluations; the inability to repatriate income or capital; complications associated with repairing and replacing equipment in remote locations; import-export quotas, wage and price controls imposition of trade barriers; regulatory or financial requirements to comply with foreign bureaucratic actions; changing taxation policies; and other forms of government regulation and economic conditions that are beyond our control; (vi) the performance of our rigs; (vii) our ability to procure or have access to financing and comply with our loan covenants; (viii) our ability to successfully employ our drilling units; (ix) our capital expenditures, including the timing and cost of completion of capital projects; and (x) our revenues and expenses. Due to such uncertainties and risks, investors are cautioned not to place undue reliance upon such forward-looking statements.*

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