

Independence Contract Drilling, Inc.
Code of Business Conduct and Ethics for Directors
(July 2014)

Introduction

Independence Contract Drilling, Inc., together with its subsidiaries (the “Company” or “ICD”), has created this Code of Business Conduct and Ethics for Directors (this “Code”) to foster a culture of honesty and accountability and to establish standards of integrity, honesty and ethical conduct that all members of the Board of Directors must follow.

This Code is a statement of principles and a reference point. It applies to all members of the Company’s Board of Directors, whether employees or not, and with reference to directors the Code of Business Conduct and Ethics will be interpreted in a manner consistent with the role of a director. It provides guidance but does not cover every situation, nor does it set forth every applicable law or policy. In particular, this Code applies to the following areas:

- Conflicts of Interest
- Corporate Opportunities
- Confidentiality
- Fair Dealing
- Protection and Proper Use of Company Funds and Assets
- Compliance with Laws, Rules and Regulations
- Financial Matters and Public Disclosures
- Reporting of any Illegal or Unethical Behavior

Obligations of Each Director

Our ethics policy is simple: we must each conduct all of our activities with the highest level of integrity and ethics, complying with the letter and the spirit of all applicable laws and regulations.

Conflicts of Interest

The Company requires directors to conduct their outside associations, personal business, and financial and other relationships in a manner that avoids any conflict of interest, or appearance of conflict of interest, between the director’s private interests and the interests of the Company as a whole. The term “outside association” includes any affiliation, association, interest or employment that a director may have with an entity other than the Company. A conflict of interest situation may also arise if a director takes actions or has interests that may make it difficult to perform his or her work objectively and effectively, or if an employee or family member receives improper personal benefits as a result of the director’s position on the Board of Directors.

It is impractical to list every activity that might constitute a “conflict of interest.” There are also many borderline situations that need evaluation based on all relevant information.

Review and Resolution of Conflicts

Directors are required to disclose and communicate actual or potential conflicts of interest to the Company. Actual or potential conflicts of interest disclosed by directors will be reviewed by the Board of Directors or an appropriate committee of the Board of Directors, which will make a determination regarding the appropriate handling of the situation in the interest of the Company and will consider any necessary public disclosures.

Related Person Transactions

Related person transactions, as described in Item 404 of Regulation S-K adopted by the Securities and Exchange Commission (“SEC”), are also subject to the review procedures described above.

Corporate Opportunities

Directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. Accordingly, directors are prohibited from (1) taking for themselves personally opportunities that are discovered through the use of corporate property, information or position, (2) using corporate property, information or position for personal gain and (3) competing with the Company.

Confidentiality

Directors should observe and maintain the confidentiality of information that they acquire by virtue of their position on the Board of Directors of the Company, including information concerning customers, suppliers, business partners, competitors, and other employees, except where disclosure is approved by the Company or otherwise legally mandated. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. Directors should not grant interviews, respond to inquiries by the news media, financial analysts, or other similarly interested persons, or release statistical or printed information of any kind.

Fair Dealing

The Company’s policy is to deal fairly with the Company’s customers, suppliers, competitors and employees, and not to take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or other unfair-dealing business practices.

Protection and Proper Use of Company Funds and Assets

All Company property should be used for the benefit of the Company in the conduct of its business. The Company seeks to guard against potential theft, carelessness and waste, which have a negative impact on the Company’s profitability.

Compliance with Laws, Rules and Regulations

It is the policy of the Company to require and promote compliance with all applicable laws, rules and regulations, including insider trading laws. Each director must adhere to the letter and spirit of all laws and regulations in effect where ICD does business.

Inside Information and Insider Trading

Inside information is “material, non-public information” about the Company’s financial condition, operations or prospects that could reasonably be expected to influence an investor’s decision to buy, sell or otherwise trade in the Company’s securities. Material, non-public information regarding the Company includes information that is not generally available to the public and is obtained through employment with, or from a source that has a duty to, the Company. Examples of inside information include, but are not limited to, unannounced earnings information, proposed or pending transactions, business or operational developments, litigation, contracts, and potential changes in management or the Board of Directors.

Inside information should never be disclosed except when required by law or otherwise in accordance with the responsibilities of a director hereunder. Directors shall not trade in the securities of the Company on the basis of inside information, including through a broker-assisted “cashless” exercise of stock options. Federal law and SEC regulations make it illegal to engage in any “insider trading” or to pass or “tip” inside information on to others who may buy or sell securities on the basis of that information. Insider trading is both unethical and illegal and any such conduct will be dealt with decisively by the Company.

Regulation FD

The Company is committed to compliance with the SEC’s rules against selective disclosure (Regulation FD).

Financial Matters and Public Disclosures

The Company will apply standards of full, fair, accurate, timely and understandable disclosure in reports and documents that are filed with or submitted to the SEC and other government agencies or that are otherwise distributed publicly by the Company.

Reporting of any Illegal or Unethical Behavior

The Company is committed to maintaining an effective and confidential process to report actual or suspected illegal or unethical behavior, including complaints regarding the Company’s accounting, internal accounting controls, or auditing matters, and concerns about questionable accounting or auditing matters.

Directors may report actual or suspected violations of this Code of Ethics in writing to the Compliance Officer. Directors may also call the Company’s Ethics Hotline at its toll-free number on a confidential basis.

Protection for Reports in Good Faith

Directors who, in good faith, report an actual or suspected violation of this Code by another person will not be subject to discipline or retaliation of any kind. This Code protects directors from any sort of retaliation for any reports they make or questions they ask in good faith.

Investigation into Possible Misconduct

The Company respects the privacy of each director but reserves the right to investigate behavior that could reasonably be considered harmful to the Company's reputation, or the safety of its employees, customers or assets. During any investigation of suspected violations, directors are required to cooperate fully in the investigation.

If an allegation of wrongdoing is substantiated, the Company will take prompt and appropriate action. Criminal and/or civil penalties may apply to individuals who destroy or withhold information that is the subject of an investigation or litigation.

Waivers

Any waiver from this Code of Ethics for a director may only be authorized by an appropriate committee of the Board of Directors and then only to the extent permitted by the rules of the New York Stock Exchange ("NYSE") and the SEC. These waivers will be publicly disclosed to the extent required by applicable law.

Conclusion

A director who encounters an actual or suspected violation of this Code has a responsibility to report it. In such cases, directors are expected to promptly contact one of the reporting channels described in the Reporting of any Illegal or Unethical Behavior section above.

Rights Reserved

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Policy Amendment and Termination

ICD reserves the right to amend, modify, revoke, suspend or terminate this Code, in whole or in part, at any time with or without notice, and the Code in the form adopted by ICD and then in effect shall apply to all directors.

Explanatory Note

This Code is applicable to all directors in accordance with NYSE Rule 303A.10.