

**Independence Contract Drilling, Inc.
Audit Committee Charter**

(August 2017)

Article I. Purpose

The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Independence Contract Drilling, Inc. (the “Company”) has been appointed by the Board for the purpose of assisting Board oversight of:

1. the Company’s accounting and financial reporting processes;
2. the integrity of the Company’s financial statements;
3. the Company’s compliance with legal and regulatory requirements;
4. the qualifications, independence and performance of the Company’s independent auditor; and
5. the qualifications, independence and performance of the Company’s internal audit function.

The Committee is also charged with making regular reports to the Board. The Committee is further charged with preparing any reports of the Committee that may from time to time be required by the rules of the New York Stock Exchange (“NYSE”) or the Securities and Exchange Commission (the “SEC”) to be included in the Company’s annual proxy statement or annual report on Form 10-K.

Article II. Membership

The Committee shall consist of no fewer than three members of the Board. Prior to their election and annually thereafter, the members of the Committee shall each have been affirmatively determined by the Board (i) not to be an officer or employee of the Company, (ii) to have no relationship that would interfere with their exercise of independent judgment in carrying out the responsibilities of a director and (iii) to be “independent” under (a) the rules of the NYSE and (b) the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated by the SEC thereunder (collectively, the “Exchange Act”).

In addition:

1. No member of the Committee shall have participated in the preparation of the financial statements of the Company or any then-current subsidiary of the Company at any time during the three years preceding the date of the annual determination of independence;
2. Each member of the Committee shall be “financially literate,” as such qualification is interpreted by the Board in its business judgment, or must become financially

literate within a reasonable period of time after such member's appointment to the Committee;

3. At least one member of the Committee shall (a) have accounting or related financial management expertise, as the Board interprets such qualification in its business judgment, in accordance with NYSE rules and (b) be an "audit committee financial expert" within the meaning of Regulation S-K under the Securities Act of 1933, as amended (the "Securities Act") and the Exchange Act; and
4. If a member of the Committee simultaneously serves on the audit committees of more than three public companies, the Board must determine that such simultaneous service would not impair the ability of such member to effectively serve on the Committee, and the Company shall disclose any such determination to the extent required.

Each member of the Committee shall first be nominated by the Nominating and Corporate Governance Committee of the Board and then be elected by the full Board, and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation, retirement or removal. The members of the Committee may be removed at any time, with or without cause, by majority vote of the Board.

The Board shall elect a Chairperson of the Committee. The Chairperson of the Committee will chair all regular and special sessions of the Committee, be responsible for scheduling regular and special meetings and set the agendas for Committee meetings. This Chairperson shall serve until his or her successor is duly elected and qualified or until his or her earlier resignation, retirement or removal. If the Chairperson is absent from a particular meeting, another member of the Committee shall serve as chairperson for purposes of that meeting.

The Committee may delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

Article III. Meetings

The Committee shall meet at least four times per year. Additional meetings may occur as the Committee or its Chairperson deem advisable. As part of the Committee's oversight function, the Committee shall meet with the Company's independent auditor and management at least quarterly to review the Company's financial statements. The Committee shall meet separately, periodically, in executive session with (a) the Company's independent auditors, (b) members of management, (c) internal auditors (or other personnel responsible for the internal audit function, or for the design and implementation of the internal audit function) and (d) any other persons the Committee deems appropriate to discuss any matters that any member of the Committee or any other such individual or group believes should be discussed separately. In addition, the Committee may exclude from its meetings and executive sessions any persons it deems appropriate in order to carry out its responsibilities.

A majority of Committee members shall constitute a quorum. A majority of the members present at any meeting at which a quorum is present may act on behalf of the Committee. The

Committee may meet by telephone or videoconference and may take action by unanimous written consent to the fullest extent permitted by the Delaware General Corporation Law.

The Committee will cause to be kept adequate minutes of all its proceedings and will report its actions regularly to the Board. Committee members will be furnished with copies of the minutes of each meeting and any action taken by unanimous consent.

Article IV. Authority

The Committee shall have the resources and authority necessary to discharge its duties and responsibilities as it deems appropriate. In connection therewith, the Committee shall have:

1. Such unrestricted access to Company personnel and documents as is necessary to carry out its responsibilities;
2. The sole authority to retain, compensate, evaluate and terminate the Company's independent auditor;
3. The authority to retain independent counsel and other advisors, experts and consultants, including other auditors or accountants, as the Committee determines necessary to carry out its responsibilities;
3. Authority to conduct and oversee any special investigations at the request of the Board; and
3. The appropriate funding provided by the Company, as determined by the Committee, for payment of compensation to the independent auditors and any advisors employed by the Committee and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its responsibilities.

Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company.

Article V. Responsibilities and Duties

The Committee shall have the following responsibilities:

A. *Independent Auditors*

1. The Committee shall have sole authority to appoint, engage and terminate the Company's independent auditor. The Committee shall also be directly responsible for setting the compensation and retention terms for, and overseeing and evaluating the performance of, the Company's independent auditor (including resolution of disagreements between management and the auditor regarding financial reporting). The Company's independent auditor shall report directly to the Committee. The Committee shall instruct the external auditors that they are responsible to the Board of Directors and the Committee.
2. The Committee shall have sole authority and responsibility to approve in advance (a) the retention of independent auditor for the performance of all audit and lawfully permitted non-audit services, subject to any applicable exceptions, and (b) the fees to be paid for such services.
3. The Committee shall, at least annually, obtain and review a report by the independent auditor describing:
 - the internal quality-control procedures of the auditor;
 - any material issues raised by the most recent internal quality-control review, or peer review, of the audit firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and
 - in order to assess the auditor's independence, all relationships between the independent auditor and the Company.

The Committee shall present its conclusions with respect to the independent auditor to the Board.

4. The Committee shall assess at least annually the independent auditor's independence. In connection with this assessment, the Committee shall confirm that it has received and reviewed the independent auditor's disclosure and letter required by the applicable requirements of the Public Company Accounting Oversight Board ("PCAOB") for independent accountant communications with audit committees concerning auditor independence. The Committee shall discuss with the Company's independent auditors their independence, including any disclosed relationships or services that may impact the auditor's objectivity and independence. If deemed appropriate by the Committee, the Committee may take, or recommend that the Board take, appropriate action in response to the independent auditor's report to satisfy itself of the auditor's independence. The Committee shall also confirm with the Company's independent auditors that the independent auditor rotates (a) the lead (or coordinating) audit partner of the audit team as well as the concurring or reviewing partner and (b) any other audit team

members within any applicable period required under Regulation S-X under the Securities Act and the Exchange Act. Additionally, in order to ensure continuing auditor independence, the Committee shall periodically consider whether to rotate the independent audit firm itself.

5. On at least an annual basis, the Committee shall evaluate the qualifications, and performance of the Company's independent auditor, taking into account the opinions of the Company's management and internal auditor (or other person responsible for the internal audit function). This evaluation shall include a review and evaluation of the lead audit partner. On at least an annual basis, the Committee shall confirm that the independent auditor is registered with the PCAOB and that its registration is in good standing.

B. Internal Auditors

1. The Committee shall review and approve the appointment of the Company's internal auditors, and any changes to the Company's lead internal auditor. Periodically, the Committee shall review the overall performance of the internal audit function. The Committee shall instruct the internal auditors that they are responsible to the Board of Directors and the Committee.
2. The Committee shall periodically review the budget and activities of the Company's internal audit function, audit plans, procedures and results, and coordination with the independent auditors. The Committee shall review all significant reports prepared by the internal audit function, including managements' responses and follow-up to these reports.

C. Audit and Accounting Process

1. The Committee shall review and discuss with the Company's independent auditor reports that the independent auditors are required to provide to the Committee relating to significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including, among other things, (a) all critical accounting policies and practices used, (b) all alternative treatments of financial information within U.S. generally accepted accounting principles ("GAAP") that have been discussed with management, the ramifications of such treatments and the treatment preferred by the Company's independent auditor and (c) any material written communications between the Company's independent auditor and management.
2. Following the completion of the annual audit, the Committee shall inquire as to whether there was, and review with the independent auditor, any significant difference of opinion or disagreement between management and the Company's independent auditor in connection with the preparation of the Company's audited financial statements.
3. Following the completion of the annual audit, the Committee shall also review with the independent auditors any audit problems or difficulties (including any

restrictions on the scope of activities or access to requested information) and management's responses to such problems or difficulties. This review shall include the responsibilities, budget and staffing of the Company's internal audit function.

4. To the extent required by applicable law, PCAOB rules or the NYSE rules, the Committee shall discuss with the Company's independent auditor the matters required to be discussed by Auditing Standard No. 16, "Communication with Audit Committees" ("AS 16") (or any successor standard or rule). If requested by the independent auditor, the Committee shall review the terms of the engagement set forth in an engagement letter with the independent auditor and shall confirm that it has acknowledged and agreed to the terms of the engagement.

D. Financial Reporting Process

1. The Committee shall meet to review and discuss with members of management and the Company's independent auditor the annual audited financial statements to be included in the Company's annual reports on Form 10-K (including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations") prior to the filing of each Form 10-K. These discussions shall review particularly sensitive accounting estimates, reserves and accruals, alternative accounting treatments, judgmental areas, audit adjustments (whether or not recorded), other written communications between the accounting firm and management and include other inquiries as the Committee or the independent auditor shall deem appropriate. Based on such review, the Committee shall make its recommendation to the Board as to the inclusion of the Company's audited financial statements in the Company's annual report on Form 10-K (and the Annual Report to Shareholders, if distributed prior to the filing of the Form 10-K). As part of this review and discussion, the Committee shall discuss with management and the independent auditor the certifications and any related disclosures made by the Company's Chief Executive Officer and Chief Financial Officer in the Company's periodic reports about the results of their evaluation of the effectiveness of disclosure controls and procedures and any significant deficiencies or material weaknesses in the design or operation of internal controls over financial reporting, and any fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting.
2. The Committee shall meet to review and discuss with members of management and the Company's independent auditor the quarterly financial statements to be included in the Company's quarterly reports on Form 10-Q (including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations") prior to the filing of each Form 10-Q. As part of this review and discussion, the Committee shall discuss with management and the independent auditor the certifications and any related disclosures made by the Company's Chief Executive Officer and Chief Financial Officer in the Company's periodic reports about the results of their evaluation of the effectiveness of disclosure controls and procedures and any significant

deficiencies or material weaknesses in the design or operation of internal controls over financial reporting, and any fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting.

3. The Committee shall review with members of management and discuss with the Company's independent auditors any registration statement of the Company that contains new or pro forma financial information prior to the initial filing of such registration statement with the SEC. The Chairperson of the Committee or a quorum of the Committee may represent the entire Committee for the purpose of these reviews.
4. The Committee shall discuss with management the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies. The Committee may discuss this information generally (i.e., discussion of the types of information to be disclosed and the type of presentation to be made) and is not required to address in advance each earnings release or instance when guidance is provided.
5. The Committee shall be directly responsible for the resolution of any disagreements between management and the independent auditor regarding financial reporting.

E. Pre-Approval and Disclosure of Audit and Non-Audit Services

1. The Committee shall pre-approve audit services and, subject to any applicable exception, shall pre-approve any permissible non-audit services to be provided by the Company's independent auditor. The Committee may delegate to one or more members of the Committee the authority to pre-approve audit or permissible non-audit services, and any such delegate or delegates must present their pre-approval decisions to the Committee at its next meeting. In the event that any audit or permissible non-audit services are approved by the Committee or a delegate or delegates thereof, the Committee shall take steps to ensure that such approval is appropriately disclosed in the Company's periodic reports filed with the SEC to the extent such disclosure is required.
2. The Committee shall confirm that the Company's independent auditor is not engaged to perform for the Company any of the non-audit services set forth on Exhibit A hereto.

F. Compliance Oversight

1. The Committee shall establish and maintain procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters.
2. The Committee shall establish procedures for the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

3. The Committee shall review any reports received from the Company's independent auditors under Section 10A(b) of the Exchange Act if the independent auditors detect or become aware of any illegal acts.

G. Controls and Procedures

1. The Committee shall discuss periodically with members of management, the internal auditors and the Company's independent auditor the scope and plan for the Company's testing and assessment of internal control over financial reporting (to the extent then required) and the adequacy and effectiveness of the Company's disclosure controls and procedures and internal control over financial reporting, any changes in internal controls, and any significant deficiencies or material weaknesses in the design or operation of internal controls. The Committee shall seek recommendations to improve these controls. Particular emphasis should be given to the adequacy of internal controls to expose any payments, transactions or procedures that may involve fraud or other illegal or improper conduct.
2. The Committee shall review and discuss with management, the internal auditors and the independent auditors: (a) the annual report of management affirming management's responsibility for establishing and maintaining adequate internal control over financial reporting and assessing the effectiveness of the Company's internal control over financial reporting and (b) the independent auditor's attestation report on management's report (to the extent then required).
3. The Committee shall review with appropriate persons any fraud involving management or other employees that is reported to the Committee.

H. Evaluation of Performance

1. The Committee shall evaluate its own performance, and review the adequacy of this charter, at least annually, and report to the Board regarding any recommended changes for its approval.
2. The Committee shall, through its Chairperson, regularly report to the Board on the Committee's activities and actions, as well as any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the auditors, or the performance of the internal audit function or, during any permitted phase-in period, management's activities with respect to the design and implementation of the internal audit function.

I. Other Compliance

1. The Committee shall meet periodically with management and the Company's Chief Financial Officer and Chief Accounting Officer for purposes of risk oversight to review and discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including guidelines and policies with respect to risk assessment and risk management.

2. The Committee shall meet periodically with the Company's Chief Financial Officer and Chief Accounting Officer to review regulatory and accounting changes and any significant effect on future financial reporting.
3. The Committee will periodically receive reports from legal counsel on the Company's compliance with applicable laws and regulations and other legal matters that could have a material impact on the Company's financial statements.
4. The Committee shall set clear policies for the hiring by the Company of employees or former employees of the independent auditor.
5. The Committee shall publish this Charter in accordance with applicable SEC and NYSE rules.
6. The Committee shall prepare the report required to be included in the Company's annual proxy statement or annual report on Form 10-K under the applicable rules of the SEC.
7. The Committee shall perform any other activities consistent with this Charter, the Company's Bylaws and applicable law as the Committee or the Board deems necessary or appropriate.

Article VI. Explanatory Note

Although the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to ensure that the Company complies with laws and regulations and its internal codes, policies and procedures. It is also not the duty of the Committee to determine that the Company's financial statements are complete and accurate and are prepared in accordance with GAAP, or to assess and manage the Company's exposure to risk. The Company's financial statements and internal controls are the responsibility of management. The Company's independent auditor is responsible for planning and conducting audits to determine whether the Company's financial statements fairly present, in all material respects, the financial position of the Company. The Committee shall be entitled to rely on management and the independent auditor in fulfilling its oversight and other responsibilities under this charter.

Exhibit A

Under the Sarbanes Oxley Act of 2002 (“Sarbanes-Oxley”), as a company with securities registered under the Securities Exchange Act of 1934, as amended, the Company’s independent auditors cannot contemporaneously provide any of the following non-audit services to the Company:

- (1) bookkeeping or other services related to the accounting records or financial statements;
- (2) financial information systems design and implementation;
- (3) appraisal or valuation services, fairness opinions or contribution-in-kind-reports;
- (4) actuarial services;
- (5) internal audit outsourcing services;
- (6) management functions or human resources;
- (7) broker-dealer, investment adviser or investment banking services;
- (8) legal services and expert services unrelated to the audit; or
- (9) any other service determined to be impermissible by the PCAOB established pursuant to Sarbanes-Oxley.