

INDEPENDENCE CONTRACT DRILLING, INC.

POLICY ON RECOUPMENT OF INCENTIVE COMPENSATION

Adopted February 28, 2019
Effective as of February 28, 2019

The Compensation Committee (the “Committee”) of the Board of Directors of Independence Contract Drilling, Inc. (the “Company”) may, in its sole discretion and to the extent legally permitted, require the return, repayment or forfeiture of any cash or equity-based incentive compensation payment or award made or granted to any current or former Executive Officer of the Company (as defined below) during the three completed fiscal years immediately preceding the date on which the Company is required to prepare a restatement of its financial statements due to material noncompliance of the Company with any financial reporting requirement under the securities laws (a “Restatement”), if:

- 1) the payment or award was made or granted based wholly or in part upon the attainment of a Company financial reporting measure (including, without limitation, (a) any measure that is determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and/or (b) any measure that is derived wholly or in part from such measure, but for the avoidance of doubt not including Company stock price or Company total stockholder return);
- 2) the Committee determines that the Executive Officer engaged in or was otherwise involved in fraud or intentional misconduct (including having actual knowledge of misconduct on the part of any other employee of the Company) that significantly contributed to the need for the Restatement; and
- 3) a lower payment or award would have been made or granted to the Executive Officer based upon the restated financial results had there not been a Restatement.

In each such instance, the amount required to be returned, repaid or forfeited shall be the amount by which the Executive Officer’s payment or award for the relevant period exceeded the lower payment or award that would have been made or granted based on the restated financial results. If the Committee cannot determine the amount of excess incentive compensation received by the Executive Officer directly from the information in the Restatement, then it will make its determination based on a reasonable estimate of the effect of the Restatement. Subject to applicable law, the Company may recover such amount by requiring the Executive Officer to repay such amount to the Company, by set-off, by cancelling outstanding equity-based awards or by such other means or combination of means as the Committee determines to be appropriate.

For purposes of this Policy, the term “Executive Officer” means those persons who are designated by the Board of Directors as “officers” for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder.

The Committee shall make all determinations regarding the application and operation of this Policy in its sole discretion, and all such determinations shall be final and binding. Notwithstanding the foregoing, the Committee may amend or change the terms of this Policy at any time for any reason, including as required to comply with the rules of the Securities and Exchange Commission and the New York Stock Exchange implementing Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Further, the exercise by the Committee of any rights pursuant to this Policy shall be without prejudice to any other rights that the Company or the Committee may have with respect to any Executive Officer subject to this Policy.

This Policy shall be effective as of the effective date set forth above (the “Effective Date”) and shall apply to incentive compensation awards that are granted to Executive Officers on or after the Effective Date.