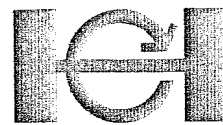




ALCO Inc.

5830 - 92 Street, Edmonton, Alberta, T6E 3A6
Phone: (780) 442-3437 - Fax: (780) 436-6264



CERTIFICATE OF INSPECTION

Equipment Owner : **Bitz Power Tongs Ltd.**
P.O. Box 5270
Edson, Alberta
T7E 1T5

Date: December 04, 2003

Rig # :

Equipment Description: **13 3/8" - 90° - 150 Ton
Blohm & Voss Side Door Casing Elevator**

Serial Number :

Inspection Report : **H - 12791**

Work Order : **58254**

The undersigned hereby certifies that an inspection has been carried out on the above mentioned equipment in accordance with the applicable standards:

CAODC R.P. 1.0, 1.0A, 2.0, 3.0, 4.0, 5.0

American Petroleum Institute Specification 8C

Inspection Method : ASTM E-709 *Standard Guide for Magnetic Particle Inspection*

Inspection Method : ASTM E-165 *Standard Guide for Liquid Penetrant Inspection*

Inspection Method: ASTM-110 *Standard Guide For Hardness Testing*

Inspection Performed In Accordance With ASME Sec. 8, Div. 1, App. 6

Acceptance Standard: ASTM E-125 *Reference Photographs For Magnetic Particle Indications*

Load Test #: **EDM 1203 6228 58254 LT**

**No Discontinuities Noted At Time Of Final Inspection
After Load Test**

Technician: L. Ponech / T. Ponech

C.G.S.B. 10873 / 5703

Signed: 

UNIT

ALCO**ALCO Inc.**5830 - 92 Street, Edmonton, Alberta, T6E 3A6
Phone: (780) 435-6608 - Fax: (780) 436-6264**LOAD TEST CERTIFICATE****DATE:** Dec. 4, 2003**CUSTOMER:** Bitz Power Tongs Ltd.**ADDRESS:** P.O. Box 5270
Edson, AB
T7E 1T5**Serial # :****THE FOLLOWING EQUIPMENT HAS RECEIVED A LOAD TEST TO 1.5 TIMES
ITS RATED CAPACITY.****PART NUMBER:** 13-3/8" - 90 Degree - 150 Ton**DESCRIPTION:** Blohm & Voss Side Door Casing Elevator**LOAD TEST NUMBER:** EDM 1203 6228 58254 LT LT**W.O. NUMBER:** 58254**LOAD TESTED TO:** 225 Ton**AUTHORIZED BY :** _____Quality Assurance Department
Hydra Group Ltd. - Edmonton, AB

Authorized VARCO BJ Repair Center

UNIT

A-1



ALCO Inc.

6925 - 104 Street, Edmonton, Alberta, Canada T6H 2L5
Phone: (780) 435-3502 • Fax: (780) 436-1858

- ALCO MACHINE WORKS
- ALCO FLOW CONTROL
- ALCO PRODUCTION MACHINE SHOP

December 5, 2003

Bitz Power Tongs Ltd.
PO Box 5270
Edson, Alberta
T7E 1T5

Equipment Certification

Equipment: Blohm & Voss Side Door Casing Elevator
Model: 13-3/8" x 90°, SDS 150-Ton
Serial No.: 12791
Hydra Inspection Report No.: H-12791
Engineering File No.: 58254-E

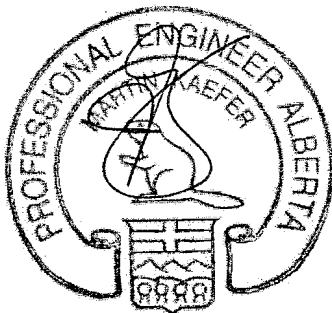
The above-mentioned elevator required a Level IV inspection (as per Canadian Association of Oilwell Drilling Contractors, R.P. 2.0), applicable repairs, and certification for service. The elevator has been retrofitted with a door safety latch pin.

Hydra Group Ltd. conducted a magnetic particle (MT) inspection on November 25, 2003, after the elevator was completely disassembled and sandblasted.

Repair procedures were developed based on the MT inspection report as well as a thorough visual examination performed by qualified personnel with Hydra Group Ltd.

Based on the final inspection on December 4, 2003, after load testing, it is our opinion that the elevator is a safe operating unit and may be returned to service within the manufacturers original rating and specification.

This certification is valid for a period of 500 operating days, as per the recommendations provided by the Canadian Association of Oilwell Drilling Contractors, or until the elevator has been damaged either as a result of operation, transportation or handling.



<p>PERMIT TO PRACTICE ALCO MACHINE WORKS</p> <p>Signature _____</p> <p>Date <u>December 5, 2003</u></p> <p>PERMIT NUMBER: P7208</p> <p>The Association of Professional Engineers, Geologists and Geophysicists of Alberta</p>
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