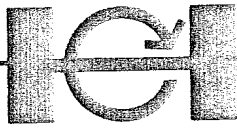


Hydra-Group Ltd.



edmonton Hydra-Matic

Hydra-Machine

QUICK SERVICE ON ALL YOUR FLUID POWER AND MACHINING NEEDS
AUTHORIZED VARCO BJ DISTRIBUTOR & REPAIR SERVICE CENTRE

LOAD TEST CERTIFICATE

DATE: July 30, 2003
CUSTOMER: Bitz Power Tongs Ltd.
ADDRESS: PO Box 5270
Edson, AB
T7E 1T5

RIG # :

THE FOLLOWING EQUIPMENT HAS RECEIVED A LOAD TEST TO 1.5 TIMES
ITS RATED CAPACITY AND A SAFETY INSPECTION.

PART NUMBER: 9-5/8" - 90 Degree - SLX 150 Ton

DESCRIPTION: BV Side Door Casing Elevator


SERIAL NUMBER: EDM 0703 5911 11870 LT

W.O. NUMBER: OT-11870

LOAD TESTED TO: 225 Ton

MPI NUMBER: H-10244

AUTHORIZED BY:


Quality Assurance Department
Hydra Group Ltd. - Edmonton, AB

Authorized VARCO BJ Repair Center

CERTIFICATE OF INSPECTION

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

W.O. # : **OT-11870**

M.P.I. # : **H-10244**

EQUIPMENT INSPECTED: 9-5/8" - 90 Degree - SLX 150 Ton
BV Side Door Casing Elevator

IDENTIFICATION # :

The undersigned hereby certifies that he has carried out an inspection of the above mentioned equipment strictly in accordance with:

NON-DESTRUCTIVE EXAMINATION ASTM-E-709
Magnetic Particle Inspection Standards

and that he meets the minimum qualification standards for inspectors as set forth in the **SNT-TC-1A (1984 Edition)**.

Date: July 30, 2003



Inspector
C.G.S.B./A.S.N.T.

NON-DESTRUCTIVE
EXAMINATION



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

August 4, 2003

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

Equipment Certification

Equipment: BV Side Door Casing Elevator
Model: 9-5/8" x 90°, SLX 150-Ton
Serial No.: 10244
Hydra Inspection Report No.: H-10244
Engineering File No.: OT-11870

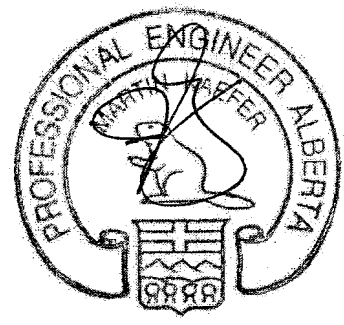
The above-mentioned elevator required a Level IV inspection (as per Canadian Association of Oilwell Drilling Contractors, R.P. 2.0), applicable repairs, and certification for service. The elevator has been previously retrofitted with a door safety latch pin.

Hydra Group Ltd. conducted a magnetic particle (MT) inspection on July 16, 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 July 30, 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>August 4, 2003</u></p> <p>PERMIT NUMBER: P7208</p> <p>The Association of Professional Engineers, Geologists and Geophysicists of Alberta</p>
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HYDRA NDT SERVICES A DIVISION OF HYDRA GROUP LTD.

MAGNETIC PARTICLE INSPECTION REPORT						H- 10244							
CUSTOMER:						Date :		July 16, 2003					
EQUIP. OWNER: Bitz Power Tongs Ltd.						W.O. #:		OT-11870					
DESCRIPTION: 9-5/8" - 90 Degree - SLX 150 Ton						P.O. #:							
MANUFACTURE: BV Side Door Casing Elevator						Prior #:							
OWNER S/N:						Rig #:							
Magnetizing Method:		AC	<input checked="" type="checkbox"/>	DC		Continuous	<input checked="" type="checkbox"/>	Residual		Yoke	<input checked="" type="checkbox"/>	Coil	
Magnetic Particles:		Dry	<input checked="" type="checkbox"/>	Wet		Fluorescent		METHOD-ASTM.E.709/ACCEPTANCE-ASTM.E.125					

ALL WORK COMPLIES WITH CAODC R.P. 1.0, 1.0A, 2.0, 3.0, 4.0, 5.0 (As applicable)

INITIAL INSPECTION RESULTS & COMMENTS :

- Magnetic particle inspection on one Elevator

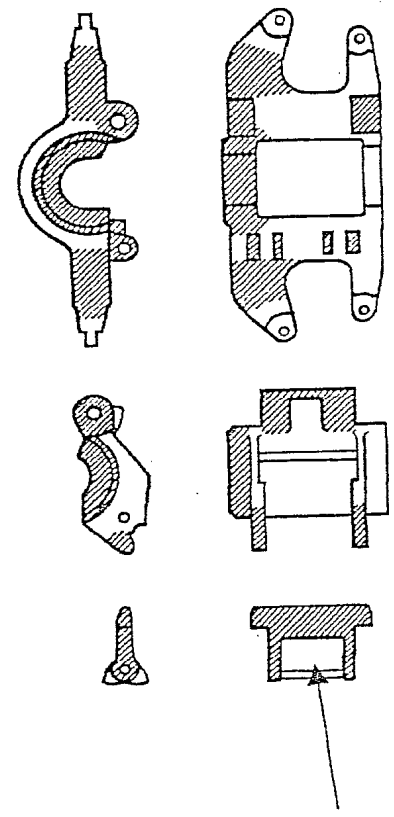
- Note: Surface sandblasted

Ear Size:
 Left - 4-1/4" - 285 BHN
 Right - 4-1/4" - 283 BHN

Cracked At: Latch and door.

- All defects marked for identification and repair.

- Engineer Involved: Yes



FINAL INSPECTION RESULTS & COMMENTS :		Date (Final):		July 30, 2003	
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No discontinuities at black lite inspection after load test

LOAD TEST # :	EDM 0703 5911 11870 LT	TECHNICIAN :	TP/LP
		CGSB # :	10873

TECHNICIAN (Sign):

Hydra-Group Ltd.



Edmonton Hydra-Matic

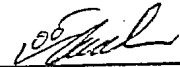
Hydra-Machine

QUICK SERVICE ON ALL YOUR FLUID POWER AND MACHINING NEEDS
AUTHORIZED VARCO BJ DISTRIBUTOR & REPAIR SERVICE CENTRE

LOAD TEST CERTIFICATE

DATE: July 30, 2003
CUSTOMER: Bitz Power Tongs Ltd.
ADDRESS: PO Box 5270
Edson, AB
T7E 1T5
RIG #:

THE FOLLOWING EQUIPMENT HAS RECEIVED A LOAD TEST TO 1.5 TIMES
ITS RATED CAPACITY AND A SAFETY INSPECTION.

PART NUMBER: 9-5/8" - 90 Degree - SLX 150 Ton
DESCRIPTION: BV Side Door Casing Elevator
SERIAL NUMBER: EDM 0703 5911 11870 LT
W.O. NUMBER: OT-11870
LOAD TESTED TO: 225 Ton
MPI NUMBER: H-10244
AUTHORIZED BY: 

Quality Assurance Department
Hydra Group Ltd. - Edmonton, AB

Authorized VARCO BJ Repair Center

UNIT

C-2

CERTIFICATE OF INSPECTION

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

W.O. # : **OT-11870**
M.P.I. # : **H-10244**

EQUIPMENT INSPECTED: **9-5/8" - 90 Degree - SLX 150 Ton**
BV Side Door Casing Elevator

IDENTIFICATION # :

The undersigned hereby certifies that he has carried out an inspection of the above mentioned equipment strictly in accordance with:

NON-DESTRUCTIVE EXAMINATION ASTM-E-709
Magnetic Particle Inspection Standards

and that he meets the minimum qualification standards for inspectors as set forth in the **SNT-TC-1A (1984 Edition)**.

Date: July 30, 2003



Inspector
C.G.S.B./A.S.N.T.

NON-DESTRUCTIVE
EXAMINATION

UNIT **C-2**