DIXON MARINE SURVEYS



John Douglas Dixon, P.E. Naval Architect and Marine Engineer Certified English XL Tribometrist

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September 19, 2013

Joey Willis President Ocean Marine Services, Inc. 12019 76th Place NE Kirkland, WA 98034

RE: 175 ft. OSV CHAMPION Condition and Valuation Survey

In preparation for this report, the subject vessel was inspected dockside, Nikiski, AK on July 17, 2013 on behalf of owners Ocean Marine Services, Inc



PRINCIPAL CHARACTERISTICS

Length Overall	175.0 ft.
Registered Length	156.9 ft.
Breadth	38.0 ft.
Depth	13.5 ft.
Maximum Draft	11 ft. 5/8 inches
Minimum Freeboard	2 ft. 5-3/8 inches
US Regulatory Gross Tonnage	279 GRT Regulatory
US Regulatory Net Tonnage	190 NRT Regulatory
International Gross Tonnage	Not Registered
Maximum POB	24 (5/7/8) crew, plus (16) added persons
Horsepower	3,000 BHP
Maximum Speed	12 kts.
Maximum Fuel Consumption	125 gallons per hour

TANKAGE

Fuel Oil	70,000 gallons 200 gpm @ 200 ft.
Rig Water	160,000 gallons 350 gpm @ 200 ft.
Rig Potable Water	110,000 gallons 350 gpm @ 200 ft.
Ship Potable Water	10,000 gallons
Dry Bulk	4,000 cu. ft.
Liquid Mud	40,000 gallons
Gear Oil	263 gallons
Lube Oil	1,051 gallons
Hydraulic Oil	263 gallons
Dirty Oil	2,012 gallons

ARRANGEMENT

MAIN DECK	Above Deck Cargo Space 110 ft. x 30 ft. x 640 long tons (Additional 340.91 LT below deck) Main Deck staterooms (2) quads and (1) toilet with shower, galley, mess, laundry, port and starboard deck lockers
FOCSLE	01 Level Focsle Deck staterooms (1) double (3) singles, (1) toilets with (1) shower

PILOTHOUSE Forward

US COD CERTIFICATE of DOCUMENTATION

July 17, 2012
August 31, 2013
Coastwise
OSV CHAMPION (ex SAND ISLAND)
Ocean Marine Services, Inc.
Greenville Shipbuilding, Greenville, MS
December 31, 1977
USA
Nikiski, AK
585677
WAP 9892
7644245
367048010

US COI CERTIFICATE of INSPECTION

Service	OSV Offshore Supply Vessel Service	
Inspection	USCG Subchapter I 46 CFR 90-98	
Issue Date	04 August 2011	
Expiration	01 August 2016	
Route	Ocean not on an International Voyage,	
	while engaged in support of exploration, exploitation or	
	production of offshore mineral or energy resources.	
Maximum POB	24, (5/7) required crew, (1) additional crew, (16) additional persons	

TONNAGE

US Regulatory Tonnage Certificate 49 CFR 69 Subpart C ABS Issued on behalf of the USA October 6, 2010 279.80 GRT 190.00 NRT Overall Length 175.0 Convention Length 156.9 Breadth 38.0 Depth 13.5

INTERNATIONAL TONNAGE

N/A

PANAMA TONNAGE

N/A

LOADLINE

International Load line Certificate ABS issued on behalf of the USA 24 October 2012 Summer Freeboard 2 ft. 5-3/8" below deck line deck at side Maximum Draft 11 ft. 5/8 inches ABS Approved Stability Book by Fiskerstrand and Whalen 04/20/93 USCG Approval Letter 14 September 1995

CLASSIFICATION

N/A

RADIO

FCC Ship Radio Station Authorization 47 CFR 80 H Issued 26 Sept 2005 Expires 11 December 2015

NOAA SARSAT 406 MHz Beacon ID ADCD02019441801L Decal Expires 2/6/2014

USCG Non-Tank Vessel Response Plan NVIC 01-05 33 CFR 1321(n)(5) Vessel Response Plan Approved August 11, 2011 expires August 9, 2014

USCG COFR #867258 Certificate of Financial Responsibility Certificate not required onboard, verification to be via internet

State of Alaska ADEC Oil Discharge Prevention and Contingency Plan No. 10-CP-2048 Certificate 10-CER-014.1 August 26, 2011 Amendment Approval Expires December 15, 2015

State of Alaska ADEC Certificate for Proof of Financial Responsibility No. 13-161-169-001 Issued June 18, 2013 Expires June 30, 2014

State of Alaska ADEC Transient Non-Community Public Water System Certificate ID #245723 Approved

EPA VGP NPDES Vessel General Permit 23 June 2011 Gallagher Marine Systems, NJ

SECURITY

US Department of Homeland Security USCG Vessel Security Plan VSP 33 CFR 104, 49 CFR 1520 Plan no. VS-326644 Approved 11/7/12 Expires 11/7/17

PROPULSION and ELECTRICAL GENERATION MACHINERY

MAIN ENGINES	(2) GM EMD 12-645-E2 12-cylinder, rated 1500 BHP each at 900 RPM
	Reintjes WGV 481 2.98:1 reduction gears, 8.25" SS shafts
GENERATORS	(2) GM Detroit Diesel GM 8V-71 2-stroke cycle diesel engines,
	rated 100 kW port and 150 kW stbd, 460 VAC, 60-cycle at 1800 RPM
	for stbd 1200 port
BOW THRUSTER	GM Detroit Diesel 300 hp GM 8V-71 diesel engine/Twin Disc 3:1 gear

MACHINERY

BULK MUD TRANSFER	Ingersoll Rand 9-10-19G Compressor - Detroit Diesel GM 4-71
LIQUID MUD PUMP	3" driven by the above diesel
CARGO PUMP	Aurora 2' x 2-1/2" centrifugal
SHIP FIRE PUMP	3" Gould 15 hp centrifugal
FIRE MONITOR PUMP	10" x 10" centrifugal driven by bow thruster diesel engine
POTABLE WATER PUMP	NSF by Cascade 250 GPM @ 200 ft.
BILGE PUMP	4" Centrifugal Pump
RIG WATER PUMP	6" Centrifugal Pump 350 GPM @ 200 ft.
FUEL TRANSFER PUMP	Gould 4" 20 hp centrifugal pump 250 GPM @ 200 ft.
FUEL OIL CENTRIFUGE	Westfalia OTA 7
FUEL OIL FILTERS	Racor (2) Dual 1000 FG
AIR COMPRESSORS	(2) Quincy 325 10 HP
HYDRAULIC PUMP	Vickers 25 gpm US Electric 30 hp motor and 30 gal reservoir
STEERING PUMPS	(2) Wagner/Vickers 5 hp with reservoirs
MARINE SANITATION	Type III Holding Tank
WELDER	Ideal Arc 250
ANCHOR WINCH	Twin Capstan driven by hydraulic motor
ANCHORS	(2) 1,500 lbs. Baldt - Danforth
ANCHOR CHAIN	Starboard (6) shots x $1-1/4$ " diameter (1 shot = 90 ft. = 15 fathoms)
	Port (6) shots x 1-1/4" diameter
DECK CRANE	MPH Maximum Performance Hydraulics 1.25-2500K

NAVIGATION AND COMMUNICATION EQUIPMENT

Furuno Radar NavNet NT CMAP 48 Mile Furuno Radar NavNet NT 48 Mile Furuno NavNet VX2 CMAP NT Max SD 48 Furuno GPS Navigator Furuno AD-100 AD Converter Furuno GPS GP 1850 **Global Watch AIS** Standard Horizon Eclipse DSC VHF Radio Telephone Standard Horizon Quest VHF Radio Telephone (2) SEA 156 VHF Standard Horizon VLH 3000 Loud Hailer (4) ICOM Hand Held VHF Computer Dell with printer Sperry Gyro Compass MK 37 Furuno 10" Magnetic Compass Furuno FAP-50 Autopilot (4) Station Robertson Rudder Controls

SAFETY OUTFIT

As per USCG COI Certificate of Inspection for maximum 24 POB

- (2) Liferafts
 - Viking 25 person Life Raft SN 11538888 port side

SMR Technologies 15 person Life Raft SN R 1627 starboard side

- (1) Rescue Boat 15' Rescue Craft, Inc. Rigid Hull Inflatable with 70 hp Nissan
- (6) Ring Buoys, (3) lights, (2) lines
- (1) Life Sling MOB Harness
- (24) Life Preservers
- (24) Immersion Survival Suits
- (1) 406 EPIRB Hydrostatic Release expires Dec 2015, Battery expires Dec 2017
- (2) SAR Transponders
- (2) Flare Kits expires March 2014
- (5) 1 ¹/₂" x 50 ft. Fire Hose Stations
- (10) Portable Fire Extinguishers Required
 - (2) A-II Required (1) B-I 5 lb. Dry Chemical onboard
 - (6) B-II Required (6) B-II 15 lb. CO2 onboard
 - (2) B-IV Required (3) B-II 10 lb. Dry Chemical onboard
 - (1) C-I
- (1) Fixed 50 lb. CO2 Fire Fighting System Paint locker
- (2) Fixed 50 lb. CO2 Fire Fighting System Engine room

MISCELLANEOUS

Batteries

(2) 8D batteries, aft of the pilothouse,

Ratelco 1802A charger.

Wheelhouse power supplies (2) NewMar 115-12 DC

(2) 8D batteries, engine room for 24V starting auxiliary engine,

Ratelco 1831B Charger

Intercom Hose McCann

- General Alarm Machinery Alarms Navigation Light Panel
- Emergency Lighting

Whistle - Air Horn

GALLEY OUTFIT

Ventilation – Areovent ½ hp fan to galley Heat – Central Air Ducted Refrigerator – stainless steel Kenmore (2) Freezer – stainless steel Kenmore Lang stainless steel oven and range hood (2) food prep sink Hand wash sink GE Microwave oven (2) coffee machines TV/VCR/DVD LAUNDRY Kenmore heavy duty washer and dryer

CONDITION OF THE VESSEL

Vessel was found to be in good condition given the age (36 years) and oil field service. Vessel has been ice strengthened in excess of ABS Ice Class C. Vessel's accommodation spaces, crew's quarters, heads, galley and pilothouse found to be in satisfactory condition. All navigation and electronics were reported operational.

Vessel's machinery space and equipment, including main engines, auxiliary machinery, shafting, pumps, piping arrangements, electrical system and equipment were examined and considered well maintained and in good operational condition. All machinery was reported operational.

Engine room bilges were found clean and dry.

Inspection Status - Internal Examinations as noted by USCG.

Drydock	last exam 31 July 2011 next exam 06 July 2015 last exam 31 July 2011 next exam 06 July 2015		
Internal Structure Pressure Vessels	last exam 31 July 20	JTT next exam	06 July 2015
	Air Receiver	Port	06 Oct 2008 next 06 Oct 2013
	Air Receiver	Stbd	06 Oct 2008 next 06 Oct 2013
	Dry Bulk Tank	Port Fwd	07 Jul 2009 next 31 Jul 2014
	Dry Bulk Tank	Port Aft	07 Jul 2009 next 31 Jul 2014
	Dry Bulk Tank	Stbd Fwd	07 Jul 2009 next 31 Jul 2014
	Dry Bulk Tank	Stbd Aft	07 Jul 2009 next 31 Jul 2014
Tailshafts			
	Port		15 Aug 2007next 23 Jul 2014
	Stbd		15 Aug 2007next 23 Jul 2014

RECOMMENDATIONS

Port side bulwark indented with stiffeners tripping. Check for cracking and renew as required. Check dirty oil tank quick closing valve for proper operation.

VALUATION

New Build Replacement Cost	\$16,000,000.00
Used Market Replacement Cost	\$3,500,000.00

This is the understanding with limited opening of enclosed spaces and testing of machinery. Opinion may change with further information or inspection.

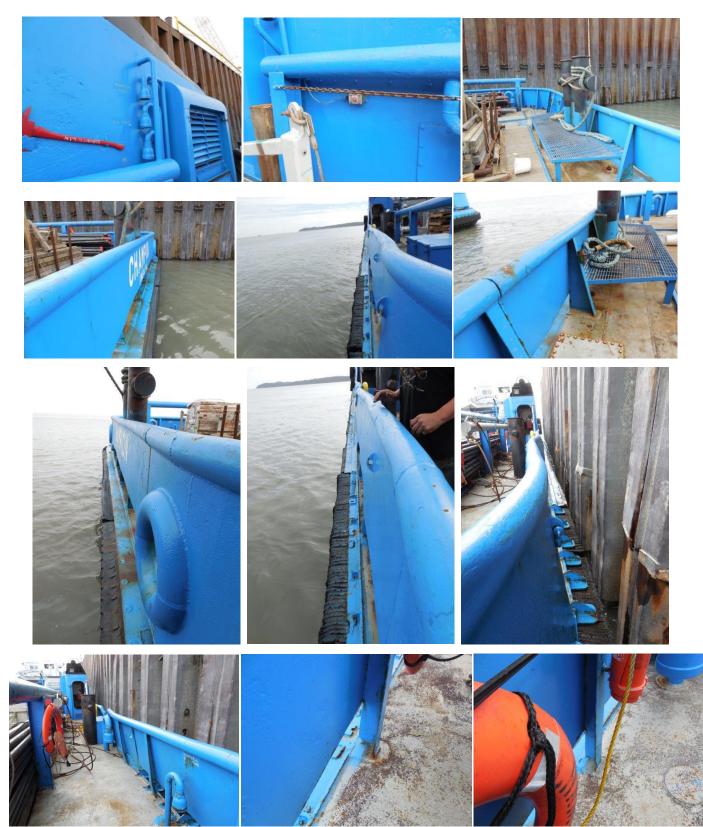
Dixon Marine Surveys

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John Douglas Dixon, PE, CXLT Principal Surveyor Licensed Naval Architect and Marine Engineer Washington Registration no. 21427

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RECORD PHOTOGRAPHS



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