



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: AOT Side Door Casing Elevator
Model: 8-5/8" x 90°, SLX 150-Ton
Serial No.: 12609
Hydra Inspection Report No.: H-12609
Engineering File No.: 57658-E

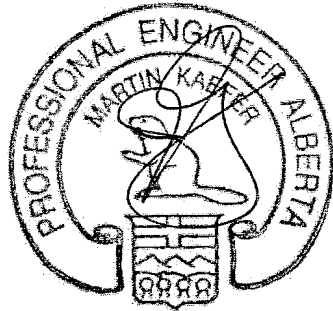
The above-mentioned elevator required a Level IV inspection (as per Canadian Association of Oilwell Drilling Contractors, R.P. 2.0), applicable repairs, and certification for service. The elevator has been retrofitted with a door safety latch pin.

Hydra Group Ltd. conducted a magnetic particle (MT) inspection on October 28, 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 October 31, 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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UNIT D-3

CERTIFICATE OF INSPECTION

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

W.O. # : **OT-57658**
M.P.I. # : **H-12609**

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


IDENTIFICATION # : S/N: EDM 1003 6152 57658 LT

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

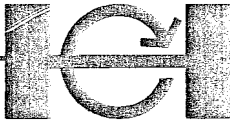
and that he meets the minimum qualification standards for inspectors as set forth in the **SNT-TC-1A (1984 Edition)**.

Date: Oct. 31/03


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

NON-DESTRUCTIVE
EXAMINATION

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: October 31, 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: 8-5/8" - 90 Degree - SLX 150 Ton
DESCRIPTION: AOT Side Door Casing Elevator
SERIAL NUMBER: EDM 1003 6152 57658 LT
W.O. NUMBER: OT-57658
LOAD TESTED TO: 225 Ton
MPI NUMBER: H-12609

AUTHORIZED BY:

Quality Assurance Department
Hydra Group Ltd. - Edmonton, AB

Authorized VARCO BJ Repair Center