



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: **March 31, 2005**

Rig # :

Equipment Description: **500 Ton**
BJ Spider Elevator
c/w 10 3/4" x 9 5/8" Slip Assembly

Serial Number :

Inspection Report : **H - 15731**

Work Order : **67933**

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 #: **BODY - EDM 0305 8448 67933 LT**

SLIPS - EDM 0305 8449 67933 LT

No Discontinuities Noted At Time Of Final Inspection
After Load Test

Technician: L. Ponech / T. Ponech

C.G.S.B. 10873 / 5703

Signed: 

H 15731



ALCO Inc.

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

DIVISIONS:

- ALCO MACHINE WORKS
- ALCO FLOW CONTROL
- ALCO CNC. INDUSTRIES
- ALCO HYDRA GROUP NORTH
- ALCO HYDRA GROUP SOUTH
- ALCO HYDRA OIL TOOL

April 4, 2005

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

Equipment Certification

Equipment: BJ Spider Elevator (c/w 10-3/4" x 9-5/8" Slip Segments)
Model: Slip Type, 500-Ton
Serial No.: 15731
Inspection Report No.: H-15731
Engineering File No.: 67933-E

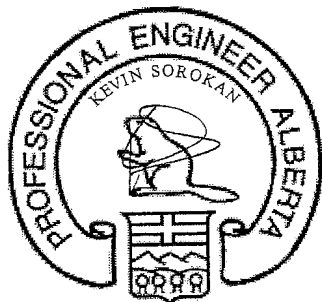
The above-mentioned elevator required a Level IV inspection (as per Canadian Association of Oilwell Drilling Contractors, R.P. 2.0), applicable repairs, and certification for service.

A magnetic particle (MT) inspection was conducted on March 3, 2005, 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 Alco Inc.

Based on the final inspection on March 31, 2005, 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.



PERMIT TO PRACTICE ALCO MACHINE WORKS	
Signature	
Date	6 Apr. 2005
PERMIT NUMBER: P7208	
The Association of Professional Engineers, Geologists and Geophysicists of Alberta	

H 15731



ALCO Inc.

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



LOAD TEST CERTIFICATE

DATE: March 30, 2005

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: 500 Ton

DESCRIPTION: BJ Spider Elevator
c/w 10 3/4" x 9 5/8" Slip Assembly

LOAD TEST NUMBER: BODY - EDM 0305 8448 67933 LT
SLIPS - EDM 0305 8449 67933 LT

INSPECTION # : H - 15731

LOAD TESTED TO: 750 Ton

W.O. NUMBER: 67933

AUTHORIZED BY : 

Quality Assurance Department
Hydra Group Ltd. - Edmonton, AB

Authorized VARCO BJ Repair Center

H 15731