

July 12, 2011

Stuart Wood Ventures Ltd.
9103 - 109 Avenue
Fort St. John, B.C.
V1J 7A8

Equipment Certification

Rig No.:	N/A
Equipment:	J+L Bail Extensions
Model:	2 1/4" x 72" x DH 250 Ton
Customer P.O.:	N/A
Serial No.:	1100601 / 1100602
Inspection Report No.:	H-26607
Alco Sales/Engineering No.:	11376-E
APEGGA Permit to Practice No.:	P10702
Alco Shop Work Order # :	9490

The above-mentioned bail extensions 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 June 28, 2011, after the bail extensions were 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 July 12, 2011, after load testing, it is our opinion that the bail extensions are a safe operating unit and may be returned to service within the manufacturer's original rating and specification.

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

