

**BEFORE THE WATER RESOURCES DEPARTMENT
OF THE
STATE OF OREGON**

In the Matter of Application for Extension)
of Time for Transfer of Water Right)
T-8087, Baker County)

FINAL ORDER APPROVING AN
EXTENSION OF TIME

Applicant

K-Diamond Inc.
45298 Pocahontas Road
Haines, Oregon 97833

Findings of Fact

1. On March 31, 2008, the Department received an application for extension of time for transfer of water right T-8087 from Tom Mac Kerns for K-Diamond Inc.
2. The Water Resources Department issued an order approving Transfer Application T-8087 in the name of Jensen Land and Livestock, on September 27, 2006. The order was recorded in Special Order Volume 70, at Page 291. The order set a transfer completion date of October 1, 2007.
3. The Water Resources Department issued an assignment from Jensen Land and Livestock, to K-Diamond, LLC on June 10, 2008.
4. The applicant has completed the installation of 6 pumps, 5 quarter-mile center pivots, 5 wheel lines, 3 miles of buried main line, 0.75 miles portable main line and 8.5 miles of hand line. Pivots in Sections 2, 3, 10 and 11 were installed. A portion of the proposed lands have been irrigated.
5. In order to fully comply with the terms and conditions of the transfer order, the landowner needs to have the deadline for completion extended.
6. The landowner has requested that the time for completion of beneficial use be extended to October 1, 2011.

This is a final order in other than contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review must be filed within the 60 day time period specified by ORS 183.484(2). Pursuant to ORS 536.075 and OAR 137-004-0080 you may either petition for judicial review or petition the Director for reconsideration of this order. A petition for reconsideration may be granted or denied by the Director, and if no action is taken within 60 days following the date the petition was filed, the petition shall be deemed denied.

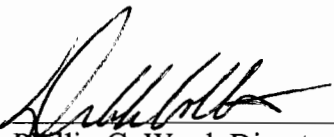
Conclusions of Law

Pursuant to OAR 690-380-6020, the Director of the Water Resources Department concludes the applicant has shown reasonable diligence to complete the transfer within the time period established by the order approving Transfer Application T-8087.

Now, therefore, it is ORDERED:

The time for completion of beneficial use authorized by T-8087 shall be extended to October 1, 2011.

Dated at Salem, Oregon this 14th day of July, 2008


Phillip C. Ward, Director

Mailing date: JUL 23 2008