BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

| In the Matter of Extension of Time |) | FINAL ORDER APPROVING AN |
|------------------------------------|---|--------------------------|
| Application for Transfer T-7941, |) | EXTENSION OF TIME |
| Morrow County, Oregon |) | |

Authority

OAR 690-380-6020 establishes an application process and criteria for the review of extensions of time for the completion of changes authorized under water right transfers.

| Applicant | Applicant | CWRE |
|----------------------|------------------------|----------------------------|
| Kaizen Holdings, LLC | Alan Cleaver | Ronald McKinnis, CWRE #202 |
| P.O. Box 200 | 79661 Prindle Loop Rd. | 79980 Prindle Loop Rd. |
| Boardman, OR 97818 | Hermiston, OR 97838 | Hermiston, OR 97838 |

Findings of Fact

- 1. On June 16, 2011, the Department received an application for extension of time for transfer of water right T-7941 from Ron McKinnis, engineer of the Port of Morrow, on behalf of landowners Kaizen Holdings, LLC and Alan Cleaver.
- 2. The Water Resources Department issued an order approving Transfer Application T-7941 in the name of Logan Farms, Inc., on March 18, 1999. The order was recorded in Special Order Volume 53, at Page 431. The order set a transfer completion date of October 1, 2000.
- 3. On February 9, 2006, a portion of Transfer Application T-7941 in Sections 31, 32 and 33, Township 5 N, Range 26 E, W.M., was assigned to Kaizen Holdings, LLC by proof of ownership.
- 4. On August 10, 2011, the remaining portion of Transfer Application T-7941 was assigned by Logan Farms, Inc. to Alan Cleaver.
- 5. The applicants have completed all changes in Sections 4 and 5 of T4N, R26E and Sections 31, 32 and 33 of T5N, R26E, W.M.

This is a final order in other than a 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 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.

- 6. To fully complete the change, it will be necessary for the applicants to gain access to the appropriate point of diversion to convey water to the lands in Sections 27 and 34, T5N, R26E. The original owner did not inform subsequent landowners Port of Morrow, Kaizen Holdings, LLC and Alan Cleaver of the provisions of the transfer order that affected Sections 27 and 34, and it was only when the Claim of Beneficial Use was being prepared that the deficiency was discovered.
- 7. The current landowners have requested that the time for completion of beneficial use be extended to October 1, 2012.

Conclusions of Law

Pursuant to OAR 690-380-6020, the Director of the Water Resources Department concludes the applicants have shown reasonable diligence to complete the transfer within the time period established by the order approving Transfer Application T-7941.

Now, therefore, it is ORDERED:

The time for completion of beneficial use authorized by T-7941 shall be extended to October 1, 2012.

Dated at Salem, Oregon this 15 day of August, 2011

Dwight French, Water Right Services Administrator, for

PHILLIP O WARD, DIRECTOR

Mailing date: AUG 1 5 2011