

## **The Rise and Fall of the Lazy S Ranch**

### **A Cotton Class Presentation**

Jon Lemon and I share a lot of things—among them a love for Texas Tech sports, a love for farming and the land, and a close family relationship. His cousin Ann happens to be my wife. And we also share a love for the history of West Texas, and so Jon has asked me to tell you about my newest book on West Texas history, The Rise and Fall of the Lazy S Ranch.

In the book, I especially wanted to emphasize the location of the Lazy S ranch, because it was location that allowed Dallas banker and cattleman C.C. Slaughter the unique opportunity to acquire the land. The setting was dramatically different than for most ranches. It lay in what I call heart of the vast Llano Estacado—the most waterless part of the region, and therefore naturally the most isolated. It is a thirty-mile wide swath that stretches westward from Lubbock about a hundred miles to the western escarpment of the Llano in eastern New Mexico.

Along the border of this so called heart on the north and south there were some limited water sources. On the north there was a string of “lost” lakes—Silver Lake, Bull Lake, Illusion Lake, and Coyote Lake. On the south side of the strip lay another string of natural lakes in Lynn and Terry counties, the most prominent being Tahoka Lake, Mound Lake and Rich Lake. These provided the only water for miles, and it was often saline.

Farther west of the string of lakes on both the north and south side of this strip are even more intriguing natural boundaries--ranges of sand dunes. On the north side are the Muleshoe Sand Hills, the largest contiguous section of sand to be found on the Llano. On the south side are the Lea-Yoakum dunes, a slightly smaller, but similar range of sand hills.

In between the two ranges of sand hills, there are no natural water sources and few playa lakes, the only break in the otherwise level expanse is the shallow Sulphur Draw, which heads in west central Cochran County near present-day Bledsoe, and meanders to the southeast to merge with Lost Draw in central Terry County at present-day Brownfield.

In 1890, Cochran, Hockley, Bailey, and Lamb counties—a region sixty miles square—the heart of the Llano--there were only four occupants. Obviously, pioneer cattlemen generally could not use the land because there was no water. Also, the railroads, which were paid for rail construction with state owned land, also passed on claiming the land. Even the Capitol Syndicate, which had the opportunity to choose three million acres of state land in exchange for building a new capitol building in Austin, passed on selecting land in the arid strip, except for a tract in northern Hockley County. By 1881, there were still 1.2 million acres of unassigned lands in the Panhandle-Plains area, most of which lay in the heart of the Llano in Hockley, Cochran, and Bailey counties.

So, not being able to find any willing buyers, the state in 1881 gave the 1.2 million acres away to the yet unborn—the unpopulated unorganized counties in the state--to 50 separate counties in 17,712 acre-blocks, or four leagues. Each county was to hold its four-league block of land until it needed to sell it to support its public schools. These blocks were generally two and a half miles wide and ten miles long.

But, in the 1880s, at the height of the ranching boom, only a few cattlemen attempted to put cattle in the heart of the Llano. One of these was Fount G. Oxsheer of Colorado City, who moved cattle to land in central Hockley County in 1884, and the following year, with his brothers in law, the Beals, leased the waterless Surratt pasture in southern Cochran County. Oxsheer became one of the first to put windmills on the Llano Estacado.

But, it was a losing operation. From 1884 to 1896, Oxsheer and his partners went broke at least twice, and by 1896, Oxsheer was heavily indebted to his Dallas banker, C.C. Slaughter.

Oxsheer was a plunger; otherwise, he would not have been trying to ranch in the heart of the Llano Estacado. For example, when he learned that he could buy from a neighboring rancher a herd of two thousand head of Hereford cows and sixty bulls that had once belonged to the legendary Charles Goodnight, Oxsheer and his partner A. J. Harris in January 1897, rushed to Dallas to call on Slaughter at his Dallas bank to try to borrow the \$50,000-asking price. It was a trip that changed the future of the heart of the Llano. Once Slaughter heard their proposal, he refused to loan them the money. He told them he would buy the

herd but would board it on their ranch. As a result, he bought the herd sight unseen for \$50,000 and agreed to board the herd for \$1 per head per year and a quarter of the herd.

But this arrangement lasted only a year.

By the end of 1897, Slaughter was tired of paying rent to pasture his cattle, and with an improving cattle market, he decided to try to buy the land where the cattle were. He hired Oxsheer in December 1897 to try to acquire up to 350,000 acres from the various counties that owned it. In a January 1898 letter to son George, C. C. Slaughter expressed his optimism about and motive for the venture:

“I am of the opinion that it is one of the best ranches in the state that can be obtained in a solid body. The fact is, it is about the last chance. If I succeed in getting this ranch, and live long enough to improve it right, I desire to make it an insurance policy for my children, undivided and indivisible, until the death of the last one of my family. I think it is the best policy I could leave my children as it will be yielding a profit all the time. It will be one of, if not the greatest legacy, ever left to a family in the nation. It will be the greatest blood preserve on earth.”

Remember these words—undivided and indivisible.

Buying the land was a challenge, because, by the late 1890s, most county governments were farmer-controlled and would not willingly sell land to one of the largest landowners in the state. Thus, Oxsheer used several of his friends as secret agents to purchase the land from 28 different counties, but he eventually acquired nearly 250,000 acres, most of which lay in a solid block. Slaughter then invested heavily in fencing, windmills, and water tanks, and became a showplace for purebred Hereford cattle. By 1906, was making a profit of \$75,000 or more annually. That would be 2.2 million in today's dollars.

In 1902, Slaughter incorporated the Lazy S Ranch as The C.C. Slaughter Cattle Company and split the stock ten ways in equal shares among his wife and nine children. But he remained in firm control and allowed no dividends to be paid until the ranch's indebtedness was paid off by 1911.

After falling and breaking his hip in 1910, Colonel Slaughter decided to retire and, in 1911, he paid the last indebtedness against the purchase of the Lazy S Ranch, and he thus allowed the family to assume total control of their living insurance

policy. Management was then controlled by a corporate directory—C. C. Slaughter's five sons.

In 1911, the directors declared the first-ever dividend, a very modest five thousand dollars, to be divided ten ways, or five hundred to each owner—or \$15,000 in today's dollars.. The next year, they declared a sixty-thousand-dollar dividend and then in 1913 pushed it to one hundred thousand dollars, or ten thousand dollars each, which would be over \$300,000 each today. Obviously, the Lazy S Ranch was providing each of the stockholders a very good living, but it was also failing to accumulate an adequate cash reserve.

By the spring of 1915, the Lazy S Ranch was indeed a showplace. By that time, a crew of Mexican craftsmen had fashioned a fine hacienda, laid out in a quadrangle, and was one of the most substantial and largest structures in the region west of Lubbock. It is still standing to this day.

But, 1915 also brought the worse for the ranch. At the height of the Lazy S's success, in early July, while George Slaughter was touring the Lazy S, lightning struck near his automobile, giving him an electrical shock.. Six days later, on July 15 he suffered an apparent heart attack and died at age 54.

Without George's leadership, the ranch was not ready to deal with the myriad of problems it was soon to face. And, the younger brothers went for the money.

In December 1915, six months after George's death, they voted themselves a record \$120,000 dividend, or \$12,000 each, even though the company had only \$120,500 in cash in the bank, The generous decision by the Lazy S directors, which did not allow for any cash reserves or possibility of drought or market collapse, would soon prove fatal for the ranch.

The end came rather quickly. After 1916, rising expenses, an outbreak of scabies, followed by drought, two blizzards, and following the close of World War I, a price collapse, put the ranch heavily in debt and the stockholders at each other's throats. Then, Colonel Slaughter died in 1919, and the stockholder disputes carried over into a fight over his will.

After a year of legal hassles, C.C. Slaughter's heirs divided his three-million dollar estate—which did not include the Lazy S Ranch--ten ways by drawing allotment descriptions in capsules from a hat. For a few months, it appeared that the heirs

were going to keep the Lazy S intact as per the Colonel's wishes that it be "undivided" and "indivisible." But, cattle prices continued to fall and debt continued to grow, and totaled \$270,000 by the end of 1920.

By that time, the younger stockholders were insisting on a division of the Lazy S and, after more wrangling and threatened lawsuits, the majority voted for a division, which divided the ranch into ten parcels.

Thus, after 24 years, the unique, "indivisible" Lazy S Ranch was no more, ended by mismanagement, drought, and family disunity.

But its breakup led to a new era for the western Llano Estacado.

In 1921, Hockley County's government had been organized by a handful of settlers and located its county seat at the new town of Levelland, located in the center of the county. As rumors of a railroad began circulating, heirs of George W. Littlefield, who owned the LFD Ranch, organized the Yellowhouse Land Company in 1923 and began extensive promotion of land sales, especially in northern Hockley County. And, when cotton prices rose to 28 cents a pound that year, prospective farmers began to flock to the western Llano Estacado. The Yellowhouse offered its land for twenty-five dollars per acre.

My grandparents moved to Levelland in 1925 and my granddad began selling land for Yellow House Land Company.

Other ranches in Hockley County began selling land to farmers—the Spade, the Turkey Track, and the C. W. Post's Double U Ranch, all sold land for as much as \$35 an acre.

In 1924, Ira DeLoache, C.C. Slaughter's son-in-law who took the lead in the breakup of the Lazy S, began earnestly promoting his wife's portion of the ranch, which lay in northwestern Hockley County. Dubbed as "DeLoache's Subdivision of White Face Farms, Choicest of the Slaughter Lands," DeLoache's advertisement played to land's historic tie to Colonel Slaughter and his "White Face Hereford Cattle," saying that the old rancher had "sought the best location, the finest grass and the most fertile soil in all his million acres, as the home for this herd." His plan called for the sale of 177-acre tracts.

Others in the family followed suit, selling land through the Lone Star Land Company.

By 1925, the Santa Fe built a rail line across the old Lazy S and soon the towns of Morton, Whiteface, Lehman, and Bledsoe came into being. With the boom, Cochran County was organized in 1925, the last one in the state to be created. The population of Hockley and Cochran counties jumped from 200 in 1920 to 11,000 by 1930.

But the boom did not last long. The Great Depression, which began in 1929, coupled with several years of drought, drove many farmers off the land. However, some of the Slaughters worked hard to keep them.

But C. C. Slaughter, Jr., modified his purchase program by switching to a “crop share” system; he would provide a house, a well, and land, and the farmer paid for the land in cotton production. As a result, a number of his farmers were able to stay on the land during the tough years of the Depression. After his death in 1940, his widow, Elma Letcher Slaughter, arranged to have forty white stucco houses on 320-acre tracts scattered across her property to house the farm families. For many years, the flat-topped houses were a Cochran County distinction

The DeLoache’s also promoted share cropping to retain farmers.

Since this is a cotton class, I wanted to show you cotton being raised on the old ranch; the photo on the left shows dry land cotton three days ago on DeLoache land; the photo on the right is my grandson in law’s dry land crop—and it shows the best crop of all—our three great grandchildren, Morgan, Myles, and Matthew.

By the late 1920s, several of the stockholders had sold or colonized about 50,000 acres of the Lazy S, but the Great Depression, followed by the discovery of the great Slaughter oil field in the mid-1930s halted their land sales. By the end of 1940, the Slaughter and nearby Duggan fields had produced more than a million barrels of oil. Obviously, none of the families wanted to sell any more land, and to this day, they still own approximately 170,000 acres of the old ranch. Today, they still farm thousands of acres, and until recently, even maintained a ranch, but the last ranch owned by Slaughter heirs on the old Lazy S was sold in 2018.

As this map indicates, the discovery of oil did not benefit all the Slaughters as the main field lay primarily in western Hockley County. But it made multi-millionaires out of several of them. Moreover, the field continues to produce. By 2016, it had produced more than 1.5 billion barrels. Had Colonel Slaughter had his way, and his “indivisible” empire remained intact, it would have become one of Texas’ richest corporations, and you might be driving today a Ford pickup emblazoned with the Lazy S brand instead of the King Ranch version.

I have one more crop picture to show you. This is Jon Lemon, who has served as president for 14 years of the Edith Sanders Farm Properties in Cochran and Bailey Counties, located near the old Lazy S Ranch. He is stepping down as president but he left us with our best crop year ever.

There is more to the story of the Lazy S Ranch, and if you are interested, you might want to buy the book!

<https://www.tamupress.com/book/9781623499716/the-rise-and-fall-of-the-lazy-s-ranch/>

<sup>1</sup> *Ibid.*, p. 66.

<sup>1</sup>“Contract is Let for 40 Houses,” *Lubbock Morning Avalanche*, December 14, 1940, p. 3.