

### 23. "FIRE, READY, AIM"

After receiving Clarence Koch's proposal that we buy his ranch, our world proceeded to turn inside out.

My father's stories of his twenty-year struggle to piece together a large ranch in Wyoming's Powder River Basin came into sharp focus. We had just had a major assemblage contiguous to the two ranches we already owned handed to us on a platter – not in the space of a generation or a decade, but only a few days.

Unfortunately, half of the canyon that Pat Ferree hoped would remain undeveloped wasn't part of the Ferree Ranch. It was a part of the old Tibbits Ranch, (sometimes referred to as the *Brown Place*), which now belonged to the same speculator/developers who had sold us the ranch where we lived.<sup>1</sup>

At this point, no one knew about our deal with Pat and Shirley or the proposal from Clarence and Priscilla. We knew this veil of secrecy could evaporate in a matter of days or weeks. There was not much time to think.

At land prices considerably higher than agricultural values, the financial risks we were contemplating were absurdly high. On the other hand, in the early 1980s our society was starting to give increasing lip service to the value of conservation. For us, the hypothesis was emerging that there could be a significant economic component to the conservation of the canyon.<sup>2</sup>

As we struggled to be objective, I remember having one overriding thought: Our real risk lay in spending the rest of our lives living with the regret of having passed up this bizarre alignment of the stars, while having to watch the inevitable development of most of the land surrounding the canyon.

In keeping with the proposition that 'you might as well be hung for a sheep as a lamb', we accepted Clarence's proposal with some minor negotiation and put a call in to the realtor representing the Brown Place.

No word had leaked out about the other deals, but the fuse was lit and we felt the urgency to make a quick offer on the Brown Place. Our full price offer for a lease/purchase option was accepted. The purchase option was scheduled to be exercised by the spring of 1983.

Our negotiating strategy on all three deals had been to concede price and bargain for terms. Now we had three contracts for more than 11,000 acres, all contiguous to what we already owned, together with private and school leases and two National Forest grazing permits<sup>3</sup>.

We had negotiated owner financing for each deal with provisions allowing us to sell to a partnership without triggering the 'due on sale' clauses. Plus, we got cows and some machinery in two of the deals. The transactions were neatly lined up to close, one after the other, each a year apart – hopefully enough time for...

Miraculously, nobody (other than our attorneys, accountants and the few people who had signed my confidentiality agreement<sup>4</sup>) knew what we were up to. Our deal with Clarence and Priscilla remained under wraps for almost a year and as far as the neighborhood knew, our deal on the Brown Place was just a grazing lease.

Looking for some financing, I went to see Stan Liss at Travelers Insurance, armed with a confidentiality agreement (we were still under cover of secrecy, and I was insisting that anyone I talked to give me a guarantee of silence). We had worked with Stan when we bought our Wellington farm from my mother. Travelers committed to a loan to be secured by a second deed of trust on the Ferree and Rabbit Creek Ranches.

We had been presented with a mind-numbing real estate anomaly and had it sewed up before anyone knew what had happened. We left niceties, like planning, for later –*fire, ready, aim.*

At a holiday cocktail party, I found myself in conversation with one of the lawyers that Pat Ferree disliked so much. The lawyer was under the impression that he and his buddies still were in line to buy the Ferree Ranch and was telling me their plans. I managed to keep my tongue behind my front teeth.

After the 'Bonner Peak lawyers' learned of our deal with Pat and Shirley, the attorney working on the Ferree transaction with us called to say he had received a phone call offering \$1,000,000 in cash, plus all of the Ferree property south of the Cherokee Park Road, and the water rights, if we would sign over our purchase contract to the Bonner Peak guys – stating that the clause in our contract prohibiting assignment could be "taken care of".

Clearly, a betrayal of Pat's faith wasn't in the cards, but I won't say the amount of the proffered bribe didn't make us swallow hard. The next morning, we told our attorney to reply "no", and Jeanne and I stepped into the abyss.

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<sup>1</sup> I've been a little tough in my characterization of this group. In the early 1970s, when these folks bought the ~5300-acre Tibbits Ranch, buying foothill ranches for 35-acre development was the 'thing' for investor partnerships to do. Formed under the name North Fork Ranch Co., this was a limited partnership of some leading citizens of Greeley. The general partner was Hensel Phelps, Inc., a Greeley construction company. Robert G. Tointon was the president of Hensel Phelps (more about Bob later). The North Fork Ranch Co. started selling off pieces, but around the time I called about the Brown Place, some of the partners had begun to have second thoughts as to the 'aesthetic morality' of the 35-acre process.

<sup>2</sup> This was tantamount to real estate heresy in those days, but I think the hypothesis has aged well. Like other pioneers, I offer the arrows in my backside as evidence that the concept was 'ahead of its time'.

<sup>3</sup> *Bennett Creek*, south of the Poudre river above Rustic and *Swan*, north of Mishawaka.

<sup>4</sup> Except Kent Stevens, who's confidence I never questioned.



**Clarence on a Donkey - c. 1908**  
(this may have been before he became a Republican)



**Clarence Koch  
in the 1930's**

*Waiting on  
picture*

**Priscilla Koch**

**Ferree Ranch**

**Koch Ranch**

**Rabbit Creek Ranch**

**Tibbits Place**

-  Deeded Land Boundary
-  State School Land Boundary
-  Private Leased Land Boundary