Christmas Valley (community)

By Jeff LaLande

The unincorporated town of Christmas Valley (population approximately 1,300) stretches for over five miles along both sides of Lake County Hwy 5-14 (Christmas Valley-Wagontire Road), yet rarely does the community's widely scattered buildings extend more than half a mile back from that road. Located within the flat, sagebrush-filled expanse of a huge Ice-Age lake bed called Christmas Lake Valley, the town began in the 1960s as a California real estate developer's dream. That scheme, which largely failed, gives Christmas Valley a history unlike that of any other town in Oregon's high desert.

The Christmas Valley townsite is situated in northern Lake County at about 4,300 feet above sea level in the western portion of Christmas Lake Valley. Today, the region is among the most arid places in Oregon, but approximately 12,000 years ago it formed part of a huge late-Pleistocene pluvial lake called Lake Fort Rock. The origin of the place name "Christmas" may have resulted from a spelling error. In the 1870s, cattleman Peter Chrisman built a cabin about six miles northeast of the present town near a seasonal alkali lake. What was originally known as Chrisman or Christman Lake had morphed into Christmas Lake by 1877.

The region had long been home to bands of the Northern Paiute people, who seasonally gathered edible plants, hunted game, and periodically held jackrabbit drives for food, hides, and as inter-band social gatherings. With the initial arrival of White stockmen in the 1860s-1870s, livestock raising, especially cattle, became the valley's dominant activity. Sheep were important beginning in the 1890s up to the period of the high desert's "sheep-shooting war" of 1900-1905, when vigilante cattlemen captured sheepherders and killed thousands of sheep in a conflict over rangeland.

Beginning in about 1905, hundreds of would-be farmers—encouraged by a period of unusually wet years and, after 1909, by the generous acreage provisions of the Enlarged Homestead Act—arrived in the valley as part of a dry-farming boom. They homesteaded scores of 320-acre claims on federal land, built cabins, dug wells, grubbed out sagebrush, and struggled to "make a go" by raising grain crops. Several tiny hamlets soon dotted Christmas Lake Valley to serve the newcomers. One such place, named Lake, was settled within what would become the town of Christmas Valley. The high desert's frequent killing frosts, however, and a return to dryer years after 1915 made successful dry farming nearly impossible. Although the Lake post office did not close until 1943, by 1920 most homesteaders had abandoned the area after "proving up"—obtaining legal ownership on claims by fulfilling the land grant requirements.

The ZX Ranch, headquartered in the town of Paisley some fifty miles southeast of Lake, had acquired large tracts of state swampland in the Paisley area during the late nineteenth and early twentieth centuries and purchased abandoned homesteaded land and other properties in the Christmas Lake Valley during the 1920s-1930s, typically at very low prices. ZX cattle grazed the valley floor, often seeking shade from the summer sun in the shadows of former homestead cabins. The ranch is still among the largest in the country (approximately 1.3 million acres).

In the early 1960s, California real estate developer M. Penn Phillips forever altered the course of the area's history. Phillips aggressively promoted new communities in remote areas of the Southern California desert, such as Hesperia and Salton City, to middle-income families. He had a reputation for misleading investors and using shoddy construction methods. In 1960, Phillips headed north to Christmas Lake Valley for his next residential project.

Giving his development the cheerful name of Christmas Valley, Phillips purchased thousands of acres of sagebrush from the ZX Ranch and others and surveyed a townsite for a population of 5,000. Construction began in 1961 on several model homes, a 5,000-foot airstrip, a golf course, and a Mid-Century-Modern-style lodge (said to have cost over $90,000) that fronted an artificial lake dubbed Christmas Valley Lake (now Baert Lake). Through advertisement in popular magazines and elsewhere, Phillips marketed the town as a resort with inexpensive second-homes and a place to comfortably enjoy the "rugged West." Legal problems followed, including a state investigation of falsified property-tax evaluations and claims by buyers suing for financial fraud. Most of the lots were bought by out-of-state speculators who left the properties undeveloped. By

the end of the decade, the total population of Christmas Valley was about 150 people, and Phillips was long-gone.

Still, with paved streets and some houses built, the development remained a fact on the land. Affordable lot prices and remote living attracted a trickle of newcomers. During the 1980s, scattered mobile homes and small houses appeared within and around the town. A growing number of businesses began to line the Christmas Valley Highway. In 2025, the town has two stop signs but no traffic lights, a post office, county-courthouse annex, county health clinic, credit union, church, and a small park. The K-12 North Lake School is located a few miles west of town.

Recent construction of the large Archway solar farm east of town created a few temporary local jobs, as did a now-defunct open-pit mine for diatomaceous earth used for cat litter. Recently, a proposed huge landfill operation (which, if approved, would be the largest in the Pacific Northwest) provoked both concerns and hopes among Christmas Valley residents. Ranching (both family and corporate) and growing alfalfa hay remain important to the town and the valley.

Christmas Valley is surrounded by several unusual geological formations, such as Fort Rock State Natural Area, Crack in the Ground, Hole in the Ground, the Christmas Valley Sand Dunes, and the Lost Forest. The sites are popular tourist destinations, and the Christmas Valley Back Country Byway (designated in 1989) guides a steady stream of visitors through town during the summer. As people pass through, they might see reminders of Penn Phillips' ill-fated development scheme on Christmas Valley's street signs: Jingle Bell Road, Snowman Road, Mistletoe Road, and Holly Street.

Sources

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