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### Utah's Rancho Bizarro

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ST. GEORGE — A mountain ranch once controlled by the Las Vegas mafia is regarded as a holy place by some Utah polygamists, who believe the place is one of the ancient sites mentioned in The Book of Mormon.

The D.I. Ranch now has become one of the key elements in a lawsuit from an ex-movie actress who claims she was suckered out of \$1 million in a preacher's ill-fated scheme to buy the ranch and turn it into a refuge for the coming apocalypse.

Hyrum Smith, millionaire founder of the Franklin Quest company, now owns the ranch and is planning to sell it to investors who want to turn it into a wilderness retreat for troubled youths.

The sacred and the profane seem to come together at this unassuming 831-acre cattle ranch, located in a remote valley of cheatgrass and cactus 25 miles west of St. George.

The D.I. stands for Desert Inn, the famous luxury hotel on the Las Vegas Strip once owned by reputed mafioso Moe Dalitz. He reportedly used the ranch as a discreet vacation spot for showgirls, high-rolling customers, prostitutes, bodyguards and other assorted Vegas characters.

Locals around St. George during the late 1950s had a joke that the letters DI really stood for "Don't Intrude."

"Rumors flew around about dead bodies being buried out there and armed guards with machine guns," said Mitch Barker, a lawyer involved in the current lawsuit. "Why this land is supposed to be sacred, I don't know. Seems like the opposite to me."

Despite the unsavory gangland history, some southern Utah polygamists believe there is a special significance to the DI Ranch and the properties immediately surrounding it.

"The land out there has been a part of Mormon folklore ever since the days of Brigham Young," said one man who calls himself a "fundamentalist Mormon" who lives near the ranch. "You can feel it when you're out there."

One belief surrounding the DI Ranch is that, centuries ago, it was a mountain hideaway for the Gadianton Robbers, a notorious group of thieves with secret rituals and passwords. The story is rooted in The Book of Mormon, which describes the murderous robbers in detail.

"And it came to pass than in the latter end of the eighteenth year those armies of robbers had prepared for battle and began to sally forth from the hills and out of the mountains and the wilderness and their strongholds and their secret places and began to take possession of the lands," reads Nephi 3:4.

The DI Ranch also is said to have red boulders with petroglyphs from the ancient Jaredite peoples. And another prophecy says it is the modern-day site of Adam-ondi-Ahman, where Adam and Eve lived after they were expelled from the Garden of Eden.

Pinning down the exact source of these visions has been difficult, said Larry Shurtleff, who manages the cattle operation at the DI Ranch for Hyrum and Gail Smith.

"I've heard more things than you can shake a stick at," he said.

Standing alongside the religious revelations are creepy stories about dark deeds being done at the ranch during the days of mafia ownership.

"One old cowboy said he was in the bunkhouse one night and couldn't sleep," said Shurtleff. "He went outside and saw a backhoe digging a hole to bury a car. The cowboy went right back inside and didn't say a word."

Rod Leavitt, who built a small airstrip on the ranch for Moe Dalitz, said he had several visits from FBI agents who showed him photos of criminal suspects and asked him if any of them had been seen at the DI Ranch.

"I know they hid people up there. It was a hideaway," said Chuck Thomas, a retired FBI agent who used to head the bureau's Organized Crime unit in Las Vegas. "Moe Dalitz would bring his friends up there -- and his friends weren't preachers."

Dalitz, a leading protege of famous New York mobster Meyer Lansky, reportedly sold his interest in the Desert Inn Ranch in the late 1960s. It was later purchased in 1978 by John Shugart, the author of a well-regarded study of Mormon scriptures and a former bishop in the Apostolic United Brethren, a polygamous offshoot of the mainstream LDS Church.

The AUB, based in the Salt Lake City suburb of Bluffdale, is one of the largest polygamist churches in the United States with approximately 3,500 members who believe that men must take more than one wife to attain the highest level of heaven.

Shugart, who was born in Cuba under the name ``Juan Pardo," also had connections to the gambling industry. His parents were part owners of the Showboat Casino east of downtown Las Vegas.

He owned the DI Ranch for only two years and lost it in November 1980 after defaulting on an \$82,500 payment, according to Washington County court records. Around this time, Shugart apparently also had a falling out with AUB president and prophet Owen Allred.

Former Washington County prosecutor Paul Graf said he remembers Allred coming into his office and asking if Shugart could be criminally prosecuted for allegedly selling some of the irrigation equipment at the ranch. The case was never pursued.

But Shugart's fascination with the DI Ranch apparently did not die. He approached Larry Shurtleff and asked for a job as ranch manager at the DI in the early 1990s.

"He didn't say it was Adam-on-di-Ahman, but he said it was a sacred spot," Shurtleff recalled. "He indicated that when he owned it, they had planted more than 10,000 fruit trees. And I said 'trees' I looked out there and didn't see any evidence of 10,000 fruit trees."

The only trees growing on the DI Ranch now are junipers and Joshua tree cacti, as well as several dozen cottonwoods along a stream.

Shugart is now in the thick of a complex lawsuit filed by ex-movie actress Virginia Hill, who claims that Shugart talked her into putting up \$1 million to repurchase the ranch in 1989.

The money has disappeared, and Hill's lawyers claim it was pocketed by members of the AUB church, including Allred, who had somehow taken it away from Shugart. Allred and other AUB church leaders have vigorously denied these charges.

Hill said she became acquainted with Shugart in 1989, shortly after a bitter divorce from her husband, a horse-racing bookie from Detroit named Henry Hilf. She moved to southern Utah to be closer to her mother and brought almost \$3.5 million in cash with her.

"Being born and raised in Las Vegas, I've always preferred cash," she said in a telephone interview.

For safekeeping, she put the money in banana boxes and gave them to her uncle, Danny Jackson, a bug exterminator and an associate of Shugart.

Hill said she was never a believer in Shugart's teachings, which were a combination of 19th century Mormonism and the-end-is-nigh prophecy. But her mother was a disciple of Shugart's and she said she gave Shugart advance money to buy the DI Ranch, to make her mother happy.

"If she wanted to live out in the middle of nowhere, I'd help her," Hill said. "At that period of time I wasn't thinking too correctly. I thought Shugart was a nice religious man with a nice family."

Shugart had a talent for speaking in dramatic Old Testament-style language, giving his revelations the flavor of authenticity, according to those who have listened to him.

In a telephone interview, Jackson said the DI Ranch was supposed to be a retreat for God's faithful in case the end of the world should come.

Contacted near his home in a canyon outside Kanab, Shugart said he wanted to set up the DI Ranch as a naturopathic retreat, where residents could take advantage of special diets, massage and fasting to become healthier.

He denied that prophecy played any role in his desire to acquire the DI Ranch and declined to comment further because of the pending litigation.

Hill's lawsuit alleges that some \$1 million of her money eventually was given to two members of the AUB church -- one of them a real-estate broker -- who had promised to use the funds to buy the DI Ranch.

Instead, the lawsuit alleges, they took it up to Salt Lake City and gave it to Allred, who ordered the money be used to finance several business ventures of the AUB church.

Shortly after buying the property, Smith changed the name to "Eagle Springs Ranch." He said he bought it only as an investment — not out of any religious convictions.

It will be sold in April to a St. George group called The Joshua Experience, which plans to turn the place into a wilderness retreat for troubled juveniles, Smith said.

Few reminders of the mafia era remain at the ranch, where the Smith family now grazes cattle along the side of Beaver Dam Wash. A one-story building that used to be known as "the whorehouse" in reference to the type of entertainment that used to be practiced within its walls, burned down several years ago. All that remains is the chimney.

Mark Walter, the real-estate agent who helped the Smiths buy the property, said he had just one piece of advice for the new owners:

"Don't plow too deep."

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