Over the next decade, anything of value within its boundaries was sold off or fell victim to looting and vandalism. Some buildings, like the diner, found new homes elsewhere, while others were condemned and demolished. It remains unclear whether the earthquake had compromised the springs or if the water was diverted elsewhere, but the life-giving water source for the oasis eventually dried up. The lush vegetation that once adorned the plateau withered away, leaving behind a barren desert landscape.

Lloyd had resigned himself to the inevitability of his family's homestead being lost forever. Lloyd Smith, the last of the Smiths, at age 47 passed away quietly in his trailer in Nyland in the spring of 1992, carrying with him the memories of a bygone era in the California desert.

After Lloyd's death and with no surviving heirs or a will, in the fall of 1992, the land was officially deemed abandoned and reclaimed by the State of California. Over time, the roads leading to Oasis Palms were closed and gradually buried by the evershifting desert sands. What was once a thriving, vibrant town slowly succumbed to the same desert sands from which it had emerged a century earlier.

