

New Mexico State Land Office

Patrick H. Lyons, Commissioner of Public Lands



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Land Commissioner Patrick Lyons Leases Land for New Potash Mine in Lea County

HOBBS – Commissioner of Public Lands Patrick Lyons today finalized an agreement to lease 25, 890 acres of state trust lands in southern Lea County for a potash mining operation.

Toronto-based Intercontinental Potash will mine polyhalite which will be processed into potash. About 93 percent of world potash consumption is used in fertilizers, with small amounts used in manufacturing soaps, glass, ceramics, chemical dyes, drugs, synthetic rubber, de-icing agents, water softeners and explosives.

Intercontinental Potash expects production to commence in 2014 and expects to hire 450 permanent employees. Royalties to the State Land Office could add up to \$25 million per year.

“New Mexico’s mining industry has flourished during my administration and is pivotal to our efforts to generate revenue for public education,” Commissioner Lyons said. “I thank Intercontinental Potash for doing business with the Land Office. By doing so, they are playing a vital role in shaping every child’s future.”

Commissioner Lyons noted that revenues earned from mining on trust lands have escalated 438 percent since he took office in 2003, and potash mining has generated \$7.3 million during his tenure.

Sidney Himmel, Intercontinental Potash Corporation’s president said, “We are very appreciative of the support of Land Commissioner Patrick Lyons and the New Mexico State Land Office, as we continue to advance the potash development project. This project has the potential to become a world-class mining operation, by becoming a significant provider of Sulphate of Potash for U.S. and international farmers. We are ecstatic at the opportunity of working with the community to commercially realize the promise of geological work and engineering work carried out by the Department of Commerce and Bureau of Mines during previous periods of potash development in New Mexico. With pleasure we look forward to making significant economic contributions to the state of New Mexico, and we look forward to working with all state stakeholders in the project.”

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Economic Development Corporation of Lea County's President, Lisa Hardison, furthered by saying, "We appreciate Commissioner Lyons' support of this substantial economic development project. Intercontinental Potash will contribute to the growth and diversification of Lea County's economy."

Commissioner Lyons and the State Land Office manage 9 million acres of surface estate and 13 million mineral acres held in trust to support public education. Revenues earned from energy production, farming and ranching, and community and business development on trust lands help public schools, seven universities, the New Mexico Military Institute, the New Mexico School for the Deaf, the New Mexico School for the Blind and Visually Impaired, three hospitals, and correctional facilities meet their budgets.

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