



State of New Mexico

Office of the Governor

Bill Richardson
Governor

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Governor Bill Richardson supports royalty rate reduction for New Mexico potash mine

SANTA FE -- Governor Bill Richardson has told the US Bureau of Land Management that he supports a partial royalty reduction for a potash mine in southern New Mexico that supports more than 400 jobs.

Potash production in the United States has slumped considerably in recent years as a result of foreign competition. Operators such as Intrepid often pay royalties to the state or federal government for rights to produce leasable minerals. In this case the royalty will be reduced from two per cent to 0.5 per cent during a two-year period, for most of the mining area.

“I see no reason to outsource jobs that are being filled by capable New Mexicans,” said Governor Richardson. “The BLM deserves credit for trying to assist this important New Mexico industry.”

Bob Jornayvaz and Hugh Harvey, Owners of Intrepid Potash, said, “On behalf of the entire potash industry we wish to sincerely thank Governor Richardson and the administration for their ongoing and constant support of the industry. The Governor and his staff have taken a sincere interest in the complex issues surrounding agricultural fertilizer production. On behalf of the company and our 460 employees in the Carlsbad area again we say thank you.”

The royalty reduction will last through October 2005, effective November 2003.

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