

Texas Signs Rare Earth Leases with El Paso Minerals for More Than 1,000 Acres

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Texas has expanded rare earth exploration in Hudspeth County after the [Texas General Land Office](#) (GLO) entered into two new mineral leases with El Paso Minerals Corp. The agreements cover more than 1,000 acres in the Sierra Blanca district, an area with potential for heavy rare earth elements and other critical minerals.



Texas General Land Office

Announced on September 22, 2026, the leases generated more than \$500,000 in immediate revenue for the Texas Permanent School Fund. The state also expects royalty income if mineral development advances and production begins.



Texas General Land Office

The agreements support Texas' plan to establish its first dedicated rare earth mining district.

For El Paso Minerals, they expand the land available for exploration. The company says it is preparing to drill its primary target. However, the leases do not establish a mineral resource or confirm that the newly leased ground can support a commercial mine.

New leases expand the Frontera project

El Paso Minerals is advancing its Frontera rare earth project in the Sierra Blanca district of Hudspeth County. The company says its existing private leases, combined with the new GLO agreements, give it the largest land position in the district. That remains a company claim, rather than an independently verified ranking.



Texas General Land Office

Company chief executive Cesar Gonzalez pointed to decades of academic research by the University of Texas at El Paso and the University of Texas at Austin's Bureau of Economic Geology. He said the research has documented heavy rare earth and critical mineral potential across the district.



Texas General Land Office

The next step is drilling. Results will help establish whether the company's target contains mineralization worth further investigation. El Paso Minerals would then need additional technical work to assess the deposit's size, grade and potential economic value.

The GLO announcement provides no resource estimate, grade data or production schedule for the newly leased acreage. The leases expand the company's exploration footprint, but they do not confirm a commercially recoverable deposit.

Lease revenue is not project financing

The immediate payment of more than \$500,000 will benefit the Permanent School Fund, which supports public education in Texas. The GLO also expects royalties if development progresses. It has not disclosed a detailed breakdown of the lease payments or estimated future royalty

income.



Texas General Land Office

These payments represent revenue for the state, not funding for the Frontera project. The announcement does not disclose a project capital budget or financing for mine construction, mineral processing or downstream manufacturing.

That distinction matters. The leases give El Paso Minerals access to more prospective ground. They do not resolve the technical and financial challenges involved in moving from exploration to production.

How the leases fit Texas' mine-to-magnet strategy

The GLO has linked the new leases to wider critical minerals development around Round Top Mountain, located on state-managed land about 90 miles east of El Paso. The agency says the projects will form the foundation of a dedicated rare earth mining district designed to support extraction and processing.



Texas General Land Office

The Round Top project, led by USA Rare Earth, is separate from El Paso Minerals' Frontera project. In June 2026, the GLO announced that agreements had unlocked up to \$1.6 billion to accelerate Round Top's development and its domestic mine-to-magnet supply chain. That funding does not apply to the new El Paso Minerals leases.



Texas General Land Office

Texas' broader ambition extends beyond mining. A domestic rare earth supply chain also needs facilities to separate and process minerals, along with downstream manufacturing capacity. These stages require investment, technical expertise and time.

For Frontera, the GLO announcement identifies no processing facility or commercial production timetable. The new leases add to the region's exploration base, but the project has yet to demonstrate how it could move from mineral potential to a market-ready product.

Drilling will determine what comes next

El Paso Minerals' planned drilling is the next key milestone. It should provide the first evidence needed to assess the company's primary target and decide whether further exploration makes sense.

If drilling identifies a deposit, the company will still need resource assessment, technical studies, financing and relevant approvals before it can make a development decision. Processing options and infrastructure access will also shape the project's prospects.

For now, the leases deliver revenue to Texas and give El Paso Minerals more land to explore. Their significance will depend on what the drilling reveals—and whether the company can turn any discovery into an economically viable operation.