New Mexico is the nation’s sixth-largest oil producer. The industry is creating thousands of jobs in the southeast corner of the state.

But all that activity is straining basic services. Housing is limited, classrooms are crowded and roads are more dangerous. Now cities are struggling to catch up.

At Puckett Elementary School in Carlsbad, N.M., first grade students sing along with their teacher. The class is held inside a portable building. Schools in Carlsbad are running out of space.

Superintendent Gary Perkowski said in the last two years the district has enrolled 200 new students.

"All of a sudden it's going up and going up really quickly and very drastically," Perkowski said.

Carlsbad is the county seat of Eddy County, New Mexico’s top oil producer. It's located above the Permian Basin, which is rich with fossil fuels. High oil prices have driven dozens of new companies here, which is attracting a larger workforce. Overpopulation at the schools is just one problem.

"Last year we lost ten teachers that came to Carlsbad, signed contracts, and could not find housing," Perkowski said.
Carlsbad’s population of some 27,000 people is growing twice as fast as the rest of the state. Teachers are competing with other newcomers for a place to live.

"We had one guy that was trying to live with his family in a motel at a hundred and something dollars a night and that didn't last long," Perkowski said.

Because of the high demand, major hotel chains in Carlsbad charge rates comparable to New York City.

At a popular Mexican restaurant, Mayor Dale Janway digs into a plate of green enchiladas. He had just come from the oil fields himself, where he works as a safety consultant.

"This is one of the hot spots in the country right now and there are a lot of challenges," he said.

Janway said developers can't build fast enough. Apartments under construction have waiting lists. Workers live in outlying RV parks.

But it's not just the oil industry. Eddy County is a major producer of potash, a component in fertilizer. A new mine should start construction this year. The U.S. Department of Energy also runs the country’s only permanent nuclear waste facility here.

"Any time you have growth like we do you have more urgency calls, more fire calls, more police problems," Janway said.

Yet another issue is the traffic. It's especially busy along the 70 miles of road that separate Carlsbad from the neighboring town of Hobbs. Trucks hauling long cylinder tanks and heavy machinery are non-stop on weekday mornings.

Ten people have died in traffic accidents this year, a high figure in mostly rural Eddy County. In April, a woman missed a stop sign and was T-boned by a semi-truck. She and her 3-year-old granddaughter were killed.
Housing is limited in Southeast New Mexico. Recently arrived workers sometimes move in to RV parks, like this one outside Hobbs.

Road safety has become a serious concern for many in southeast New Mexico. Carlsbad native Andrew Perez lost his brother in an accident two years ago.

"My brother worked for an oil field company, driving trucks and he worked very hard, long hours, didn't get sleep and ended up crashing his truck," Perez said.

His brother left a job in a corrections facility to become a trucker, Perez said. Before that he was Marine who served in Iraq.

"The day he died was the day that he found out he was going to be a father," he said.

An investigation by the Associated Press this year found that in some oil-rich states traffic fatalities have quadrupled in the past decade. In southeast New Mexico, a coalition has formed a task force to address roadside deaths. A state representative is also pushing legislation that would fund highway improvements in oil-producing counties.