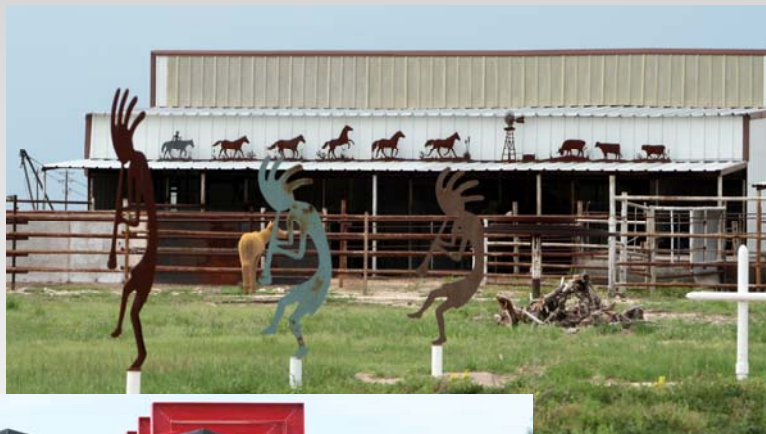


Tatum, NM

"From Saddles to Satellites"



COMMUNITY OVERVIEW

Location

Tatum, NM is located in Northern Lea County on US Hwy 380 and NM Hwy 206. Tatum has long been established as an ancient crossroad, first by the Apache and Comanche Indians and later as the center point of the Great Four Lakes Ranch which encompassed 1.5 million acres. Tatum is approximately 40 miles from Hobbs, NM, which is the regional market hub for the area.



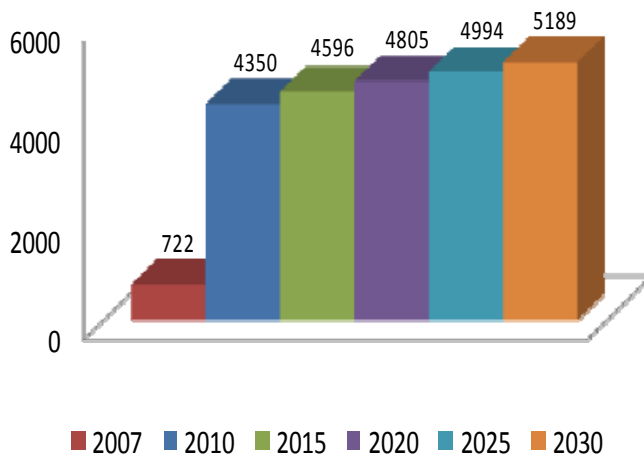
Climate

Elevation	3997 Feet
Summer Average Temperature	76 Degrees
Winter Average Temperature	38 Degrees
Annual Precipitation	11 inches
Sunshine Days per Year	320

Population Trends

Tatum has a current population of 722 and is projected to have a growth rate of 1.1% through 2015.

Tatum, NM Population Projections

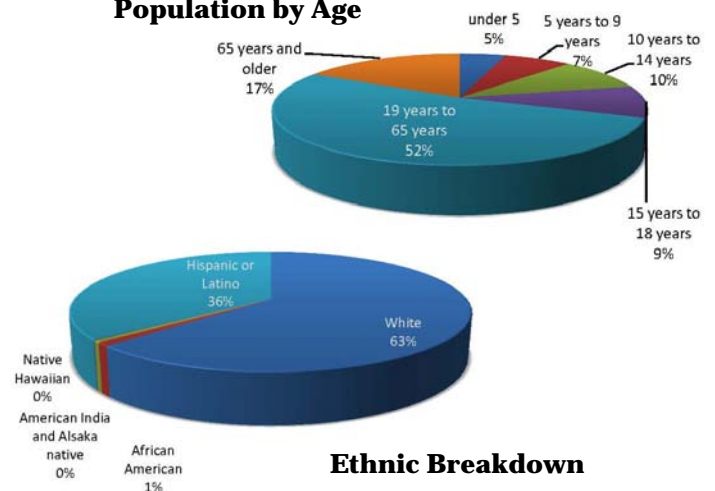


General Population Statistics

The majority of Tatum's population, over 53%, are between the ages of 18 and 64. The median age in Tatum is 38.5 years-old, which is slightly above the state average of 34.6 years-old. Approximately 40% of the population is of minority status. Gender is distributed evenly with a 49.2% male and 50.8% female population. The median household income was \$30,100 in 2005, and increased to \$35,827 in 2008, which is comparable to the state median incomes.

Age/Ethnic Breakdowns

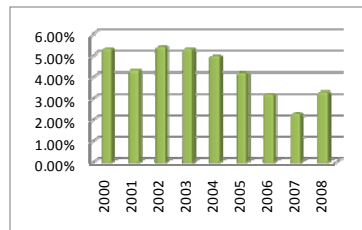
Population by Age



BUSINESS ENVIRONMENT

Civilian Labor Force

Tatum can draw on a broad range of skills due to the technology associated with the oil and gas industry, as well as the excellent training programs available from our local colleges. The number of skilled workers has steadily increased since 2005. Unemployment rates are below the national average at 7.7%.



Workforce Development

New Mexico Junior College's (NMJC) division of Careers & Technology and Training & Outreach provides workforce training programs throughout the county. Workforce development is provided through technical degree programs, customized training, and continuing education.

The NMJC Careers and Technology division offers opportunities for learning vocational skills in a variety of business and vocational-technical fields. Advisory committees help to ensure that skills taught in the classroom are relevant to the occupation and meet current entry level skill expectations of business and industry. Training equipment and laboratories are comparable or surpass current business and industry standards.



In addition to technical degree programs, New Mexico Junior College can customize training programs to fit your needs. In this circumstance, a training consultant will work with clients to pinpoint what type of training(s) an organization, company, or corporation needs. Training can be offered at the workplace or at the NMJC Training & Outreach Facility. Training sessions are customized to fit the client's budget, location, curriculum, and schedule. NMJC has developed customized training programs to provide instruction to the nuclear industry, oilfield companies, city governments, multi-national corporations, and locally owned small businesses.

Lastly, workforce training is available through continuing education courses. Whether you are a supervisor, team leader, associate, specialist, or considering applying for an advanced position, NMJC has the courses and the affordability to help individuals successfully achieve their goals.



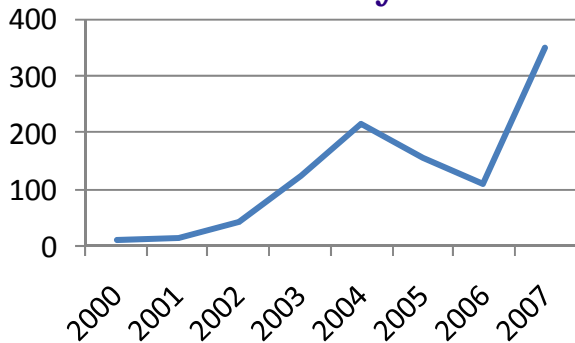
Industry	Average Employment	Average Weekly Wage
Total, All Industries	29,496	\$883
Agriculture, Forestry, Fishing & Hunting	363	\$451
Mining	6,994	\$1,287
Utilities	479	\$1,760
Construction	2,834	\$1,021
Manufacturing	724	\$1,241
Wholesale Trade	1,115	\$1,079
Retail Trade	2,603	\$494
Transportation/Warehousing	1,244	\$1,091
Information	332	\$722
Finance and Insurance	639	\$806
Real Estate	421	\$1,097
Professional/Technical Services	566	\$866
Management of Companies and Enterprises	115	\$815
Administrative/ Waste Services	1,537	\$721
Health Care and Social Assistance	2,764	\$588
Arts, Entertainment, and Recreation	438	\$406
Accommodation/Food Services	1,940	\$256
Other Services	781	\$786
Local Government	3,109	\$701

BUSINESS ENVIRONMENT (ECONOMY)

Major Employers

Tatum Municipal School	Education
Town of Tatum	Government
Gandy Corporation	Oil Field Services
Cogburn Pipe and Supply	Oil Pipeline, etc.
Leaco	Utilities
Lea County Electric	Utilities
Liberty Maintenance	Oil Field Services
Steak House Cafe	Restaurant
Tiny's Burger Barn	Restaurant

Number of Building Permits in Lea County



Building Costs

Land

Developed: \$3.00 - \$8.59 per sq. ft.
 Undeveloped: \$2.00 - \$12.00 per sq. ft.

Building Construction

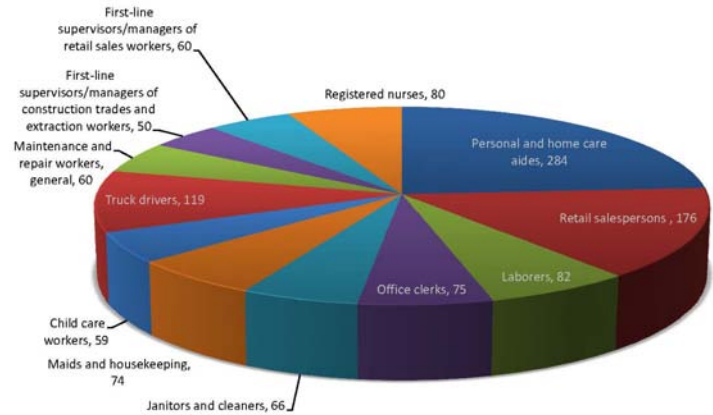
Construction of warehouse/manufacturing space begins at \$30.00 per sq. ft. and office space begins at an additional \$50.00 per sq. ft.

There are also several existing buildings that could be modified as needed.

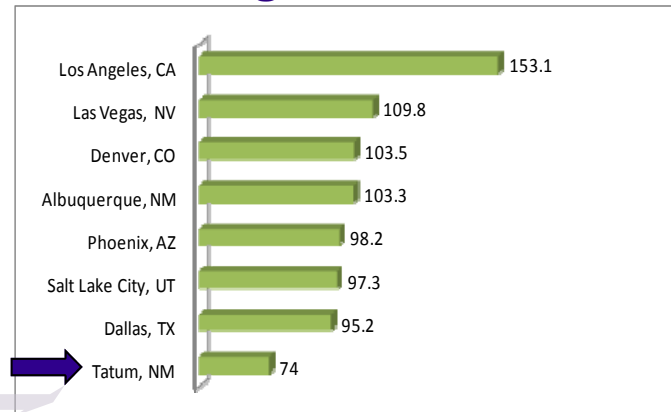
The estimated median home value for 2006 was \$37,500, which was an increase from \$32,500 in 2000.

Job Growth Projections

According to the NM Department of Labor, by 2014 there will be the most significant increase in the industries listed below.



Cost of Living Index



Taxes

Gross Receipts Tax In 6.6875%; Out 5.375%

Property Taxes (per \$1,000)

Residential In 25.119; Out 21.640

Non-residential In 29.409; Out 25.184

Income Tax 1.7%-4.9%

Compensating Tax 5%

Unemployment Insurance Tax 2%

Worker's Compensation Tax \$2.30 per employee per

Corporate Income Tax 4.8%-7.5%

Corporate Franchise Tax Fee \$50 per year

Contact the EDC of Lea County for a full description of the rates, exemptions, and terms associated with these taxes.

INCENTIVES

Lea County offers a comprehensive incentive package that may include tax credits and abatements, land, industrial revenue bonds, and job training reimbursements. When Tatum is chosen as your business location, Lea County and the EDC of Lea County will work together to ensure that all possible incentives are utilized. Below is a list of just a few possible incentives.

Development Incentives

Industrial Revenue Bonds (IRBs)

Industrial revenue bonds may be issued to finance privately-operated developed projects by a municipality, county, or the New Mexico Finance Authority.

Manufacturers Investment Tax Credit (Investment Credit Act)

Manufacturers may take a credit equal to five percent of the value of qualified equipment imported and put into use in a manufacturing plant in New Mexico.

Labor Incentives

Job Training Incentive Program (JTIP)

The Job Training Incentive Program reimburses from 50 percent to 80 percent of employee wages and required travel expenses. Custom training at a New Mexico public educational institution may also be covered.

High Wage Jobs Tax Credit

The credit amount equals 10 percent of the wages and benefits paid for each new economic-base job created.

Rural Jobs Tax Credit

Employers receive a credit of 6.25 percent of the first \$16,000 in wages paid for a qualifying job or a maximum credit of \$1,000 per job.

Operational Incentives

Child Care Corporate Income Tax Credit

Corporations providing or paying for licensed child care services for employees' children under 12 years of age may deduct 30 percent of eligible expenses from their corporate income tax liability for the taxable year in which the expenses occur.

Sample Incentive Summary

(based on 50 jobs and \$7 million annual operating budget)

Training & Payroll Reimbursement

-Job Training Incentive Reimbursement	\$ 1,359,090
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Property Tax Abatement or Exemptions on Tangible Property & Equipment

Industrial Revenue Bonds

-Property Tax Exemption on Real Property (Land & Building)	\$ 4,902,110
-Property Tax Exemption on Tangible Personal Property & Equipment	\$ 763,912
-Gross Receipts Tax Exemption on Tangible Personal Property & Equipment	\$ 850,000

Total IRB Incentives	\$ 6,516,022
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Tax Credits and Deductions

-High Wage Jobs Tax Credit	\$ 1,800,858
-Technology Jobs Tax Credit (cannot be used in conjunction with IRB)	\$ 960,000
-Rural Jobs Tax Credit	\$ 100,000
-Manufacturers Investment Tax Credit	\$ 850,000
-Child Care Tax Credit	\$150,000

Total Tax Credits and Deductions not including Technology Credit	\$ 2,900,858
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Land Value

-Site A	\$1,421,400
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Total Value of Incentives & Infrastructure Investment	\$ 12,197,369
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Ask the EDC of Lea County for a full description of the eligible incentives matching your company's needs. Special rates, terms, and caps may apply.

EDUCATION/ QUALITY OF LIFE

Public Schools

Tatum Municipal School District

Tatum Elementary School Enrollment - 152

Tatum Jr. High School Enrollment - 61

Tatum High School Enrollment - 101

The Tatum Municipal School District spent \$9,772 per student for the 2006-2007 school year, an increase from the \$9,065 per student spent the previous year and has the highest achievement scores in the county, with 73.9% of students scoring at proficiency or higher in reading and 39.% scoring at proficiency or higher in Math, both well above the state average.

	2006-2007		2007-2008	
	Reading	Math	Reading	Math
Tatum High School	63.2%	47.4%	73.9%	39.1%
Statewide	43.2%	25.7%	53.5%	36.0%

College and University

New Mexico Junior College (NMJC)

Enrollment -3,239

NMJC is a state supported, regional, co-educational institution offering programs in vocational, liberal arts, and professional areas to meet the post-secondary educational needs of the community.



University of the Southwest (USW)

Enrollment – 590

USW has Bachelor and Masters programs in Arts and Sciences, Business Administration, and Education. At USW, you will find a community of dedicated, caring, talented, scholars who are engaged in an educational



pilgrimage that leads to self-confidence, knowledge, spiritual strength, and practical skills that will allow you to meet life's challenges.

Government

Tatum operates as a Council/Manager form of government with and elected mayor.

**Tatum Police and Fire
Police Department**

505-398-4444

Fire Department

Firefighters: 15

505-398-5555

Health Care

Tatum's Health Clinic is owned and operated by Nor Lea Hospital District. They offer care over the whole life span and a state supported sliding scale program, which allows you to pay for services based on your income.

Nor-Lea General Hospital is approximately 20 miles south of Tatum and is a full-service hospital.

Lea Regional Medical Center is approximately 40 miles south of Tatum and serves residents in the Southeastern region of New Mexico. It is a full-service hospital with modern facilities.

Recreation

The City of Tatum has a park, a community building, and a community library. In addition, they are within driving distance for the following activities: soaring, golfing, rodeos, hiking, camping, snow skiing and boating. Nearby attractions



include: Soaring Society of America National Headquarters, Lea County Cowboy Hall of Fame, Ruidoso Downs Horse Racing, Zia Park and Black Gold Casino, Ski Apache Ski Area, Lincoln National Forest, Bottomless Lakes State



park, Historic Lincoln town, Carlsbad Caverns, White Sands, Malpais Lava Flows, Mexico and much more.

Arts and Culture

Tatum is near the Western Heritage Museum, the Southwest Symphony, and both colleges which host several performing arts productions throughout the year.



CONTACTS



Assisting economic growth in our county for over 40 years, the Economic Development Corporation of Lea County was established through a cooperative effort within the private business sector. Business leaders recognized the need to diversify and strengthen our county's economic base. This goal is just as important today as it was when the Economic Development Corporation (EDC) of Lea County was first established. Contact us to learn more about doing business in Hobbs, NM.

Economic Development Corporation of Lea County

200 E Broadway, Suite A 201

P.O. Box 1376

Hobbs, NM 88241

Contact: 575-397-2039

Interim President & CEO:	Lisa Hardison
VP of Business Administration:	Donna Richards
Director of Workforce Strategies:	Grant Taylor
Director of Research & Special Projects:	Melinda Allen
Director of Membership Services:	Sally Tomar

City of Tatum

Mayor

Donald Mullins

575-398-4633

Tatum Chamber of Commerce

Marilyn Burns

575-398-5455

Tatum Economic Development

Deann Gruben

575-398-4633