

TABLE B13. Summary of per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, 2001.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	BARLEY	OAT HAY	PICKER COTTON	STRIPPER COTTON	RED CHILE
		-----FLOOD-----					
		TONS	CWT	TONS	LBS	LBS	LBS
PRIMARY YIELD		6.25	44.00	6.00	850.00	850.00	4000.00
PRIMARY PRICE		126.00	3.30	86.00	0.34	0.27	0.69
GOVERNMENT PAYMENTS		0.00	9.06	0.00	152.92	152.92	0.00
SECOND INCOME		40.00	40.00	0.00	66.30	66.30	0.00
GROSS RETURN		\$827.50	\$194.26	\$516.00	\$505.67	\$446.17	\$2,760.00
CASH OPERATING EXPENSES							
SEED	\$58.00		\$26.40	\$23.00	\$10.50	\$13.00	\$192.00
FERTILIZER		\$42.00	\$48.00	\$25.50	\$4.80	\$4.80	\$59.40
CHEMICALS	\$31.64	\$84.39	\$19.54		\$115.83	\$82.70	\$73.70
CROP INSURANCE			\$2.94		\$0.53	\$0.74	\$20.00
OTHER PURCHASED INPUTS		\$74.33					
CANAL WATER							
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$18.08	\$19.99	\$7.60	\$13.57	\$28.39	\$24.88	\$27.21
FUEL-IRRIGATION	\$5.80	\$36.22	\$20.28	\$20.28	\$21.73	\$21.73	\$34.77
REPAIRS	\$16.61	\$42.74	\$11.50	\$20.30	\$58.26	\$25.04	\$30.52
CUSTOM CHARGES			\$28.42		\$112.57	\$141.81	\$985.00
LAND TAXES		\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
OTHER EXPENSES	\$0.47	\$48.95	\$48.46	\$48.56	\$48.99	\$48.93	\$49.15
TOTAL CASH EXPENSES	\$130.59	\$350.38	\$214.89	\$152.96	\$403.35	\$365.38	\$1,473.51
RETURN OVER CASH EXPENSES	(\$130.59)	\$477.12	(\$20.63)	\$363.04	\$102.32	\$80.79	\$1,286.49
FIXED EXPENSES	\$41.16	\$119.07	\$31.62	\$42.75	\$162.22	\$68.42	\$71.58
TOTAL EXPENSES	\$171.75	\$469.45	\$246.51	\$195.72	\$565.57	\$433.80	\$1,545
NET FARM INCOME	(\$171.75)	\$358.05	(\$52.25)	\$320.28	(\$59.90)	\$12.36	\$1,214.91
LABOR AND MANAGEMENT COSTS	\$46.58	\$122.00	\$42.20	\$72.78	\$102.67	\$93.43	\$271.74
NET OPERATING PROFIT	(\$218.33)	\$236.05	(\$94.44)	\$247.50	(\$162.57)	(\$81.07)	\$943.17
CAPITAL COSTS							
INTEREST ON OPERATING CAPITAL		\$10.11	\$5.28	\$3.12	\$7.41	\$5.82	\$16.80
INTEREST ON EQUIPMENT INVESTMENT		\$32.14	\$10.88	\$18.45	\$107.62	\$32.21	\$27.07
TOTAL CAPITAL COSTS	\$0.00	\$42.25	\$16.16	\$21.57	\$115.03	\$38.03	\$43.87
RETURN TO LAND AND RISK	(\$218.33)	\$193.80	(\$110.60)	\$225.93	(\$277.60)	(\$119.09)	\$899.30

TABLE C13. Whole farm summary, Artesia-Lake Arthur area, 2001.

GROSS RETURNS		
ALFALFA HAY CROP	260 ACRES	\$215,150
BARLEY CROP	17 ACRES	\$3,148
ASCS DEFICIENCY		\$154
ASCS DIVERSION		\$0
OAT HAY CROP	20 ACRES	\$10,320
PICKER COTTON	95 ACRES	
COTTON LINT		\$27,213
COTTON SEED		\$6,299
ASCS DEFICIENCY		\$3,462
ASCS DIVERSION		\$9,690
STRIPPER COTTON	68 ACRES	
COTTON LINT		\$15,433
COTTON SEED		\$4,508
ASCS DEFICIENCY		\$3,462
ASCS DIVERSION		\$6,936
RED CHILE CROP	40 ACRES	\$110,400
GROSS RETURN		<u>\$416,175</u>
CASH OPERATING EXPENSES		
SEED		\$13,486
FERTILIZER		\$15,404
CHEMICALS		\$43,493
CROP INSURANCE		\$950
OTHER PURCHASED INPUTS		\$19,326
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$12,015
FUEL-IRRIGATION		\$15,402
REPAIRS		\$21,037
CUSTOM CHARGES		\$60,220
LAND TAXES		\$877
OTHER EXPENSES		\$24,495
TOTAL CASH EXPENSES		<u>\$226,705</u>
RETURN OVER CASH EXPENSES		\$189,471
FIXED EXPENSES		\$46,065
TOTAL EXPENSES		<u>\$272,770</u>
NET FARM INCOME		\$143,405
LABOR AND MANAGEMENT COSTS		\$63,293
NET OPERATING PROFIT		\$80,113
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$4,550
INTEREST ON EQUIPMENT INVESTMENT		\$22,409
TOTAL CAPITAL COSTS		<u>\$26,959</u>
RETURN TO LAND AND RISK		<u>\$53,154</u>
LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$33,154	9.75%
\$2,500 /ACRE	\$3,154	5.10%
\$4,000 /ACRE	(\$26,846)	3.45%
\$5,500 /ACRE	(\$56,846)	2.61%

\* RETURN TO LAND AND RISK MINUS (INTEREST RATE TIMES LAND VALUE TIMES ACREAGE)

\*\* NET OPERATING PROFIT DIVIDED BY (MACHINERY AND EQUIPMENT VALUE PLUS LAND VALUE)