

TABLE B1. Summary of per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area, Chaves County, 2001.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT	OAT HAY	PICKER COTTON	STRIPPER COTTON	CORN SILAGE
	-----FLOOD-----						
		TONS	CWT	TONS	LBS	LBS	TONS
PRIMARY YIELD		7.15	35.00	6.00	900.00	900.00	22.00
PRIMARY PRICE		136.00	136.00	86.00	0.34	0.27	18.00
GOVERNMENT PAYMENTS		0.00	28.00	0.00	89.91	89.91	0.00
SECOND INCOME		0.00	44.00	0.00	70.20	70.20	0.00
GROSS RETURN		\$972.40	\$223.55	\$516.00	\$463.41	\$400.41	\$396.00
CASH OPERATING EXPENSES							
SEED	\$87.00		\$11.00	\$18.40	\$14.00	\$16.25	\$35.90
FERTILIZER		\$40.00	\$63.00	\$27.20	\$22.24	\$22.24	\$64.00
CHEMICALS	\$13.06	\$70.89	\$18.73		\$68.35	\$65.34	\$43.38
CROP INSURANCE			\$0.98		\$0.98	\$0.98	\$20.00
OTHER PURCHASED INPUTS		\$6.08					
CANAL WATER							
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$16.93	\$11.93	\$10.03	\$9.70	\$33.90	\$39.07	\$16.36
FUEL-IRRIGATION	\$19.78	\$66.74	\$34.61	\$25.96	\$34.61	\$34.61	\$59.33
REPAIRS	\$17.24	\$18.24	\$13.17	\$10.62	\$64.86	\$44.76	\$22.47
CUSTOM CHARGES			\$32.39		\$118.01	\$148.97	
LAND TAXES		\$1.49	\$1.49	\$1.49	\$1.49	\$1.49	\$1.49
OTHER EXPENSES	\$0.40	\$33.14	\$32.89	\$32.87	\$33.45	\$33.53	\$33.19
TOTAL CASH EXPENSES	\$154.41	\$248.51	\$218.29	\$126.23	\$391.89	\$407.24	\$296.10
RETURN OVER CASH EXPENSES	(\$154.41)	\$723.89	\$5.26	\$389.77	\$71.52	(\$6.83)	\$99.90
FIXED EXPENSES	\$39.91	\$132.53	\$33.30	\$36.81	\$178.14	\$80.88	\$49.58
TOTAL EXPENSES	\$194.32	\$381.04	\$251.59	\$163.04	\$570.03	\$488.12	\$345.69
NET FARM INCOME	(\$194.32)	\$591.36	(\$28.04)	\$352.96	(\$106.62)	(\$87.71)	\$50.31
LABOR AND MANAGEMENT COSTS	\$43.64	\$115.36	\$45.59	\$64.94	\$103.95	\$105.19	\$77.29
NET OPERATING PROFIT	(\$237.95)	\$476.00	(\$73.63)	\$288.02	(\$210.57)	(\$192.90)	(\$26.98)
CAPITAL COSTS							
INTEREST ON OPERATING CAPITAL		\$6.84	\$5.57	\$2.88	\$6.63	\$6.49	\$9.24
INTEREST ON EQUIPMENT INVESTMENT		\$40.38	\$16.98	\$19.37	\$19.37	\$54.10	\$26.83
TOTAL CAPITAL COSTS	\$0.00	\$47.22	\$22.55	\$22.26	\$26.01	\$60.59	\$36.06
RETURN TO LAND AND RISK	(\$237.95)	\$428.78	(\$96.18)	\$265.77	(\$236.58)	(\$253.49)	(\$63.05)

TABLE C1. Whole farm summary, Roswell-Hagerman area, Chaves County, 2001.

GROSS RETURNS		
ALFALFA HAY	300 ACRES	
CROP		\$291,720
WHEAT	51 ACRES	
CROP		\$7,729
GRAZING		\$2,244
ASCS DEFICIENCY		\$1,428
ASCS DIVERSION		\$0
SMALL GRAINS	87 ACRES	
CROP		\$44,892
UPLAND COTTON (PICKER)	51 ACRES	
COTTON LINT		\$15,468
COTTON SEED		\$3,580
ASCS DEFICIENCY		\$1,294
ASCS DIVERSION		\$1,836
UPLAND COTTON (STRIPPER)	51 ACRES	
COTTON LINT		\$12,255
COTTON SEED		\$3,580
ASCS DEFICIENCY		\$2,749
ASCS DIVERSION		\$1,836
CORN	60 ACRES	
CROP		\$23,760
GROSS RETURN		<u>\$414,372</u>
CASH OPERATING EXPENSES		
SEED		\$11,079
FERTILIZER		\$23,688
CHEMICALS		
CROP INSURANCE		\$1,350
OTHER PURCHASED INPUTS		\$1,823
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$10,653
FUEL-IRRIGATION		\$32,323
REPAIRS		\$15,041
CUSTOM CHARGES		\$15,268
LAND TAXES		\$895
OTHER EXPENSES		\$19,908
TOTAL CASH EXPENSES		<u>\$132,027</u>
RETURN OVER CASH EXPENSES		\$282,345
FIXED EXPENSES		\$48,963
TOTAL EXPENSES		\$180,990
NET FARM INCOME		\$233,382
LABOR AND MANAGEMENT COSTS		\$60,506
NET OPERATING PROFIT		\$172,876
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$3,810
INTEREST ON EQUIPMENT INVESTMENT		\$20,023
TOTAL CAPITAL COSTS		<u>\$23,833</u>
RETURN TO LAND AND RISK		<u>\$149,043</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$123,443	17.39%
\$3,000 /ACRE	\$72,243	7.60%
\$5,000 /ACRE	\$21,043	4.86%
\$7,000 /ACRE	(30,157)	3.58%
\$9,000 /ACRE	(81,357)	2.83%

* 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)