

TABLE 1. Basic cost information for the Portales Valley,
Roosevelt County, 2003.

Item			
Labor Wage Rate:			
Equipment operators	\$/hour		\$7.55
General & Irrigators	\$/hour		\$6.75
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)	\$/pound		\$0.36
Phosphate (P205)	\$/pound		\$0.33
Seed:			
Wheat	\$/pound		\$0.13
Corn	\$/bag		\$89.75
Grain Sorghum	\$/pound		\$1.20
Peanuts	\$/pound		\$0.85
Energy:			
Natural gas (Gas NM)	\$/MCF		\$3.28
Diesel fuel	\$/gallon		\$1.30
Gasoline	\$/gallon		\$1.35
Electricity (SWPS)	cents/KwHr		6.32
LP Gas	\$/gallon		\$1.21
Employee Liability Insurance	\$/ \$1,000 wages		\$20.00
Employee Benefits	percent/w ages		18.00%
Labor Downtime	percent		25.00%
Financial Rates:			
Operating Capital Interest Rate	percent		8.00%
Land Interest Rate	percent		7.00%
Equipment Interest Rate	percent		8.00%
Real Interest Rate	percent		4.00%
Land Taxes	\$89.00 /acre (full value)		\$0.51
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed Value)		\$17.18
- R			\$12.59
Supervision Factor	\$/labor hour		\$0.50
Management Rate	percent		7.00%

TABLE 1a. Overhead cost information for the Portales Valley,
Roosevelt County, 2003.

ITEM			
Electricity (Domestic & Shop)		\$215.00 per month	\$2,580
Telephone		\$115.00 per month	\$1,380
Accounting & Legal			\$1,600
Misc. Supplies & Hand Tools			\$2,410
Pickup and Auto			
miles	20,600	@ \$0.365 per mile	\$7,519
Insurance			
- general liability (non-employee)			\$1,725
- fire/theft			\$1,370
Property Taxes			
- non-planted land			\$6
- other than land & machinery			\$610
Building repairs and maintenance			\$1,310
Dues, fees, publications			\$390
Farmstead Equipment			\$165
		Total	\$21,066
		Total Per Planted Acre	\$85.88

TABLE 2. Pumping costs and data for irrigation wells, Portales Valley,
Roosevelt County, 2003.

INPUT DATA

DELIVERY PSI:		DEPTH CHARACTERISTICS:	
SPRINKLER...	40	STATIC... ..	80
		DRAW DOV	20
		TOTAL HEAD.....	100
		CASING... ..	120
GALLONS PER MINUTE (GPM)...	400		
WORK HORSEPOWER	19		

EFFICIENCY FACTOR:

ELECTRICITY.....	0.430
NATURAL GAS... ..	0.126
LP GAS.....	0.126
DIESEL.....	0.130

FUEL COST PER HOUR:

ELECTRICITY.....	\$6.32	CENTS/K	wHr
NATURAL GAS... ..	\$3.28	\$/MCF	
LP GAS.....	\$1.21	\$/GAL	
DIESEL.....	\$1.30	\$/GAL	

PUMPING COSTS

ELECTRIC WELL:

COST PER HOUR.....\$	\$2.16
COST PER ACRE INCH.....\$	\$2.45

NATURAL GAS WELL:

COST PER HOUR.....\$	\$1.44
COST PER ACRE INCH.....\$	\$1.63

LP GAS WELL:

COST PER HOUR.....\$	\$5.20
COST PER ACRE INCH.....\$	\$5.88

DIESEL WELL:

COST PER HOUR.....\$	\$3.52
COST PER ACRE INCH.....\$	\$3.98

TABLE 3. Equipment summary for a 320 acre, sprinkler-irrigated farm with above average management, Portales Valley, 2003.

EQUIPMENT		VARIABLE COSTS						FIXED COSTS		
ITEM & SIZE	ANNUAL HOURS OF USE	NUMBE	TOTAL VALUE	FUEL AND LUBRICANT	FUEL,LUBE REPAIR	PER HR	REPAIR PER HR	DEPRE-CIATION	TAXES	TOTAL PER HOUR
TRACTOR 126 HP	150	1	\$31,240	\$1,432	\$771	\$9.55	\$5.14	\$2,740	\$196	\$19.57
TRACTOR 185 HP	274	1	\$40,700	\$3,692	\$3,690	\$13.49	\$13.49	\$5,995	\$257	\$22.85
PLANTER 6-ROW	29	1	\$4,250		\$173		\$6.04	\$850	\$24	\$30.54
CULTIVATOR 6-ROW	44	1	\$2,500		\$74		\$1.70	\$333	\$14	\$7.94
DISC 14 FT	99	1	\$3,000		\$169		\$1.71	\$400	\$17	\$4.23
DRILL 13 FT	15	1	\$2,150		\$32		\$2.19	\$430	\$12	\$30.11
LISTER 6-ROW	20	1	\$2,150		\$34		\$1.68	\$287	\$12	\$14.80
PLOW (MOLDBOARD) 4-14 IN	81	1	\$4,000		\$197		\$2.44	\$533	\$23	\$6.88
SPRAYER (MTD)	29	1	\$1,400		\$57		\$1.99	\$187	\$8	\$6.80
DIG AND INVERT 2-ROW	15	1	\$625		\$1		\$0.05	\$83	\$4	\$5.75
ROD WEEDER 6-ROW	8	1	\$625		\$5		\$0.63	\$83	\$4	\$10.31
FERT SPREADER DEALER FURNI:	13	1								
PEANUT THRASHER	50	1	\$14,250		\$158		\$3.14	\$1,900	\$82	\$39.32
PEANUT TRAILER	50	5	\$3,500		\$1		\$0.03	\$467	\$20	\$9.66
CENTER PIVOT SPRINKLER	6211	3	\$45,000	\$196	\$5,621	\$0.03	\$0.91	\$6,000	\$258	\$1.01
ELECTRIC WELL	6211	6	\$50,400	\$13,428	\$1,242	\$2.16	\$0.20	\$4,800	\$289	\$0.82
			\$205,790	\$18,749	\$12,226			\$25,088	\$1,220	

TABLE 4. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, 2003.
 Planting Dates: August 20 - September 15
 Harvest Dates: June 1 - June 25

ITEM	PRICE	YIELD							TOTAL
GROSS RETURNS									
WHEAT	\$3.45	36.00	BUSHEL						\$124.20
DIRECT PAYMENT	\$0.52	60.00	BUSHEL						\$31.20
COUNTER CYCLICAL PAYMENT	\$0.00								\$0.00
GRAZING	\$40.00	1.00	ACRE						\$40.00
TOTAL									\$195.40
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY		PURCHASED INPUTS					TOTAL
SEED	\$0.13	60	LBS	\$7.80					\$7.80
NITROGEN (N)	\$0.36	120	LBS	\$43.20					\$43.20
PHOSPHATE (P205)	\$0.33	40	LBS	\$13.20					\$13.20
INSECTICIDE (CUSTOM)	\$20.01	1	X/ACRE	\$20.01					\$20.01
PUMP WATER*		18	AC. IN.						
CROP INSURANCE	\$0.61			\$0.61					\$0.61
SUBTOTAL				\$84.82					\$84.82
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	185 HP	0.28	HR		\$2.11	\$3.78	\$4.26	\$7.58	\$17.73
FERT SPREADER	126 HP	0.05	HR		\$0.38	\$0.48	\$0.26	\$0.98	\$2.09
DRILL	126 HP	0.18	HR		\$1.36	\$1.72	\$1.32	\$8.94	\$13.34
IRRIGATE (6X)		0.60	HR		\$4.05	\$44.67	\$22.50	\$37.20	\$108.43
SUBTOTAL		1.11 HR			\$7.90	\$50.65	\$28.34	\$54.71	\$141.59
HARVEST OPERATIONS									
COMBINE (CUSTOM)					\$17.26				\$17.26
HAUL (CUSTOM)					\$5.76				\$5.76
SUBTOTAL					\$23.02				\$23.02
OVERHEAD EXPENSES									
DOWNTIME		0.13	HR		\$0.96				\$0.96
EMPLOYEE BENEFITS					\$1.42				\$1.42
INSURANCE					\$0.16				\$0.16
LAND TAXES								\$0.51	\$0.51
SUPERVISION AND MANAGEMENT					\$14.23				\$14.23
OTHER EXPENSES					\$85.88				\$85.88
SUBTOTAL		0.13 HR			\$86.04	\$16.62		\$0.51	\$103.16
TOTAL OPERATING EXPENSES		1.24 HR			\$193.87	\$24.52	\$50.65	\$28.34	\$55.22
NET OPERATING PROFIT									(\$157.19)
INTEREST ON OPERATING CAPITAL	(\$64.07	@	8.00%)				\$5.13
INTEREST ON EQUIPMENT INVESTMENT									\$16.81
RETURN TO LAND AND RISK									(\$179.12)

* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$195.40	
VARIABLE OPERATING EXPENSES	\$272.86		
RETURN OVER VARIABLE EXPENSES		(\$77.46)	(GROSS MARGIN)
FIXED EXPENSES	\$55.22		
NET FARM INCOME		(\$132.67)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$24.52		
NET OPERATING PROFIT		(\$157.19)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$21.93		
RETURN TO LAND AND RISK		(\$179.12)	

TABLE 5. Corn for grain, sprinkler-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, 2003.
 Planting Dates: April 25 - May 30
 Harvest Dates: November 1 - November 30

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
CORN FOR GRAIN	\$5.08	84.00	CWT					\$426.72
DIRECT PAYMENT	\$0.50	70.00	CWT					\$35.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00	CWT					\$0.00
GRAZING	\$15.00	1.00	ACRE					\$15.00
TOTAL								\$476.72
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$1.12	28	000	\$31.41				\$31.41
NITROGEN (N)	\$0.36	150	LBS	\$54.00				\$54.00
PHOSPHATE (P205)	\$0.33	60	LBS	\$19.80				\$19.80
HERBICIDE	\$16.96	1	X/ACRE	\$16.96				\$16.96
INSECTICIDE (CUSTOM)	\$20.01	2	X/ACRE	\$40.01				\$40.01
PUMP WATER*		30	AC. IN.					
CROP INSURANCE	\$0.95			\$0.95				\$0.95
SUBTOTAL				\$163.13				\$163.13
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.06	\$1.89	\$2.13	\$3.79	\$8.86
PLOW	185 HP	0.48 HR		\$3.62	\$6.48	\$7.65	\$14.27	\$32.02
DISC	185 HP	0.14 HR		\$1.06	\$1.89	\$2.13	\$3.79	\$8.86
FERT SPREADER	126 HP	0.05 HR		\$0.38	\$0.48	\$0.26	\$0.98	\$2.09
SPRAY & DISC	185 HP	0.17 HR		\$1.28	\$2.29	\$2.92	\$5.76	\$12.26
PRE-IRRIGATE		0.10 HR		\$0.68	\$5.73	\$2.89	\$4.77	\$14.06
LISTER	126 HP	0.12 HR		\$0.91	\$1.15	\$0.82	\$4.12	\$6.99
ROD WEED	126 HP	0.08 HR		\$0.60	\$0.76	\$0.46	\$2.39	\$4.22
PLANT ER	185 HP	0.17 HR		\$1.28	\$2.29	\$3.32	\$9.08	\$15.97
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.96	\$2.48	\$1.78	\$7.15	\$13.38
IRRIGATE (12X)		1.20 HR		\$8.10	\$68.73	\$34.62	\$57.23	\$168.68
SUBTOTAL		2.91 HR		\$20.93	\$94.17	\$58.96	\$113.34	\$287.40
HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$29.40				\$29.40
HAUL (CUSTOM)				\$15.12				\$15.12
SUBTOTAL				\$44.52				\$44.52
OVERHEAD EXPENSES								
DOWNTIME		0.20 HR		\$1.47				\$1.47
EMPLOYEE BENEFITS				\$3.77				\$3.77
INSURANCE				\$0.42				\$0.42
LAND TAXES							\$0.51	\$0.51
SUPERVISION AND MANAGEMENT				\$34.49				\$34.49
OTHER EXPENSES				\$85.88				\$85.88
SUBTOTAL		0.20 HR		\$86.30	\$39.73		\$0.51	\$126.54
TOTAL OPERATING EXPENSES		3.11 HR		\$293.95	\$60.66	\$94.17	\$58.96	\$113.85
NET OPERATING PROFIT								(\$144.87)
INTEREST ON OPERATING CAPITAL	(\$123.56	@	8.00%				\$9.88
INTEREST ON EQUIPMENT INVESTMENT								\$42.37
RETURN TO LAND AND RISK								(\$197.12)

* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$476.72	
VARIABLE OPERATING EXPENSES	\$447.08		
RETURN OVER VARIABLE EXPENSES		\$29.64	(GROSS MARGIN)
FIXED EXPENSES	\$113.85		
NET FARM INCOME		(\$84.21)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$60.66		
NET OPERATING PROFIT		(\$144.87)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$52.25		
RETURN TO LAND AND RISK		(\$197.12)	

TABLE 6. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, 2003.
 Planting Dates: May 15 - June 10
 Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS									
GRAIN SORGHUM	\$4.39	25.00 CWT						\$109.75	
DIRECT PAYMENT	\$0.625	65.00 CWT						\$40.63	
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT						\$0.00	
GRAZING	\$9.00	1.00 ACRE						\$9.00	
TOTAL								\$159.38	
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL
SEED	\$1.20	6 LBS	\$7.20						\$7.20
NITROGEN (N)	\$0.36	150 LBS	\$54.00						\$54.00
PHOSPHATE (P205)	\$0.33	40 LBS	\$13.20						\$13.20
HERBICIDE	\$16.96	1 ACRE	\$16.96						\$16.96
INSECTICIDE (CUSTOM)	\$20.01	1 ACRE	\$20.01						\$20.01
PUMP WATER*		20 AC. IN.							
CROP INSURANCE	\$0.95		\$0.95						\$0.95
SUBTOTAL			\$112.32						\$112.32
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.14 HR		\$1.06	\$1.89	\$2.13	\$3.79	\$8.86	
PLOW	185 HP	0.48 HR		\$3.62	\$6.48	\$7.65	\$14.27	\$32.02	
DISC	185 HP	0.14 HR		\$1.06	\$1.89	\$2.13	\$3.79	\$8.86	
FERT SPREADER	126 HP	0.05 HR		\$0.38	\$0.48	\$0.26	\$0.98	\$2.09	
DISC & SPRAY	185 HP	0.17 HR		\$1.28	\$2.29	\$2.92	\$5.76	\$12.26	
LISTER	126 HP	0.12 HR		\$0.91	\$1.15	\$0.82	\$4.12	\$6.99	
PRE-IRRIGATE		0.10 HR		\$0.68	\$4.51	\$2.27	\$3.76	\$11.22	
ROD WEED	126 HP	0.08 HR		\$0.60	\$0.76	\$0.46	\$2.39	\$4.22	
PLANTER	185 HP	0.17 HR		\$1.28	\$2.29	\$3.32	\$9.08	\$15.97	
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.96	\$2.48	\$1.78	\$7.15	\$13.38	
IRRIGATE (10X)		1.00 HR		\$6.75	\$45.12	\$22.73	\$37.58	\$112.18	
SUBTOTAL		2.71 HR		\$19.58	\$69.35	\$46.46	\$92.67	\$228.06	
HARVEST OPERATIONS									
COMBINE (CUSTOM)			\$16.88						\$16.88
HAUL (CUSTOM)			\$4.75						\$4.75
SUBTOTAL			\$21.63						\$21.63
OVERHEAD EXPENSES									
DOWNTIME		0.39 HR		\$2.96					\$2.96
EMPLOYEE BENEFITS				\$3.52					\$3.52
INSURANCE			\$0.39					\$0.39	
LAND TAXES							\$0.51	\$0.51	
SUPERVISION AND MANAGEMENT				\$12.44					\$12.44
OTHER EXPENSES			\$85.88					\$85.88	
SUBTOTAL		0.39 HR	\$86.27	\$18.93			\$0.51	\$105.71	
TOTAL OPERATING EXPENSES		3.10 HR	\$220.22	\$38.51	\$69.35	\$46.46	\$93.18	\$467.71	
NET OPERATING PROFIT								(\$308.34)	
INTEREST ON OPERATING CAPITAL	(\$86.91	@	8.00%					\$6.95
INTEREST ON EQUIPMENT INVESTMENT								\$38.96	
RETURN TO LAND AND RISK								(\$354.25)	

* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$159.38	
VARIABLE OPERATING EXPENSES	\$336.02		
RETURN OVER VARIABLE EXPENSES		(\$176.65)	(GROSS MARGIN)
FIXED EXPENSES	\$93.18		
NET FARM INCOME		(\$269.83)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$38.51		
NET OPERATING PROFIT		(\$308.34)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$45.91		
RETURN TO LAND AND RISK		(\$354.25)	

TABLE 7. Peanuts, sprinkler-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, 2003.
 Planting Dates: May 10 - June 10
 Harvest Dates: October 10 - November 10

ITEM	PRICE	YIELD							TOTAL
GROSS RETURNS									
PEANUTS	\$0.110	2,600.00 LBS							\$286.00
TOTAL								\$286.00	
PURCHASED INPUTS		PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.85		100 LB		\$85.00				\$85.00
NITROGEN (N)	\$0.36		60 LB		\$21.60				\$21.60
PHOSPHATE (P205)	\$0.33		80 LB		\$26.40				\$26.40
HERBICIDE	\$16.96		1 X/ACRE		\$16.96				\$16.96
INSECTICIDE (CUSTOM)	\$20.01		1 X/ACRE		\$20.01				\$20.01
FUNGICIDE	\$37.67		1 X/ACRE		\$37.67				\$37.67
TRACE ELEMENTS	\$11.89		1 X/ACRE		\$11.89				\$11.89
PUMP WATER*			22 AC. IN.						
SUBTOTAL					\$219.53				\$219.53
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.14 HR		\$1.06	\$1.89	\$2.13	\$3.79	\$8.86	
PLOW	185 HP	0.48 HR		\$3.62	\$6.48	\$7.65	\$14.27	\$32.02	
DISC	185 HP	0.14 HR		\$1.06	\$1.89	\$2.13	\$3.79	\$8.86	
FERT SPREADER	126 HP	0.05 HR		\$0.38	\$0.48	\$0.26	\$0.98	\$2.09	
SPRAY & DISC	185 HP	0.17 HR		\$1.28	\$2.29	\$2.92	\$5.76	\$12.26	
PRE-IRRIGATE		0.10 HR		\$0.68	\$4.96	\$2.50	\$4.13	\$12.27	
LISTE R	126 HP	0.12 HR		\$0.91	\$1.15	\$0.82	\$4.12	\$6.99	
PLANTER	126 HP	0.17 HR		\$1.28	\$2.29	\$3.32	\$9.08	\$15.97	
APPLY FUNGICIDE (CUSTOM)			\$27.00					\$27.00	
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.96	\$2.48	\$1.78	\$7.15	\$13.38	
HAND HOE (CUSTOM)			\$12.00					\$12.00	
IRRIGATE (10X)		1.00 HR		\$6.75	\$49.64	\$25.00	\$41.34	\$122.73	
SUBTOTAL		2.63 HR	\$39.00	\$18.98	\$73.55	\$48.50	\$94.41	\$274.44	
HARVEST OPERATIONS									
DIG AND INVERT	185 HP	0.24 HR		\$1.81	\$3.24	\$3.25	\$6.86	\$15.16	
COMBINE PEANUTS	185 HP	0.80 HR		\$6.04	\$10.79	\$13.30	\$49.73	\$79.87	
HAUL	126 HP	0.80 HR		\$6.04	\$7.64	\$4.13	\$23.38	\$41.19	
SUBTOTAL		1.84 HR	\$0.00	\$13.89	\$21.67	\$20.68	\$79.98	\$136.22	
OVERHEAD EXPENSES									
DOWNTIME		0.61 HR		\$4.61				\$4.61	
EMPLOYEE BENEFITS				\$5.92				\$5.92	
INSURANCE			\$0.66					\$0.66	
LAND TAXES						\$0.51		\$0.51	
SUPERVISION AND MANAGEMENT				\$21.87				\$21.87	
OTHER EXPENSES			\$85.88					\$85.88	
SUBTOTAL		0.61 HR	\$86.53	\$32.39			\$0.51	\$119.44	
TOTAL OPERATING EXPENSES		5.08 HR	\$345.06	\$65.26	\$95.22	\$69.18	\$174.90	\$749.62	
NET OPERATING PROFIT								(\$463.62)	
INTEREST ON OPERATING CAPITAL	(\$143.80	@	8.00%)			\$11.50	
INTEREST ON EQUIPMENT INVESTMENT								\$85.76	
RETURN TO LAND AND RISK								(\$560.89)	

* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$286.00	
VARIABLE OPERATING EXPENSES	\$509.46		
RETURN OVER VARIABLE EXPENSES		(\$223.46)	(GROSS MARGIN)
FIXED EXPENSES	\$174.90		
NET FARM INCOME		(\$398.36)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$65.26		
NET OPERATING PROFIT		(\$463.62)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$97.27		
RETURN TO LAND AND RISK		(\$560.89)	

TABLE 8. Summary of per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, New Mexico, 2002.

	GRAIN			
	WHEAT	CORN	SORGHUM	PEANUTS
	-----SPRINKLER-----			
	BU	CWT	CWT	LBS
PRIMARY YIELD	36.00	84.00	25.00	2600.00
PRIMARY PRICE	3.45	5.08	4.39	0.11
GOVERNMENT PAYMENTS	31.20	35.00	40.63	0.00
SECOND INCOME	40.00	15.00	9.00	0.00
GROSS RETURN	\$195.40	\$476.72	\$159.38	\$286
CASH OPERATING EXPENSES				
SEED	\$7.80	\$31.41	\$7.20	\$85.00
FERTILIZER	\$56.40	\$73.80	\$67.20	\$48.00
CHEMICALS	\$20.01	\$56.97	\$36.97	\$74.64
CROP INSURANCE	\$0.61	\$0.95	\$0.95	
OTHER PURCHASED INPUTS				\$11.89
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$5.97	\$19.71	\$19.71	\$40.62
FUEL-IRRIGATION	\$44.67	\$74.45	\$49.64	\$54.60
REPAIRS	\$28.34	\$58.96	\$46.46	\$69.18
CUSTOM CHARGES	\$23.02	\$44.52	\$21.63	\$39.00
LAND TAXES	\$0.51	\$0.51	\$0.51	\$0.51
OTHER EXPENSES	\$86.04	\$86.30	\$86.27	\$86.53
TOTAL CASH EXPENSES	\$273.37	\$447.59	\$336.53	\$509.97
RETURN OVER CASH EXPENSES	(\$77.97)	\$29.13	(\$177.16)	(\$223.97)
FIXED EXPENSES	\$54.71	\$113.34	\$92.67	\$174.39
TOTAL EXPENSES	\$328.07	\$560.93	\$429.20	\$684.36
NET FARM INCOME	(\$132.67)	(\$84.21)	(\$269.83)	(\$398.36)
LABOR AND MANAGEMENT COSTS	\$24.52	\$60.66	\$38.51	\$65.26
NET OPERATING PROFIT	(\$157.19)	(\$144.87)	(\$308.34)	(\$463.62)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL	\$5.13	\$9.88	\$6.95	\$11.50
INTEREST ON EQUIPMENT INVESTMENT	\$16.81	\$42.37	\$38.96	\$85.76
TOTAL CAPITAL COSTS	\$21.93	\$52.25	\$45.91	\$97.27
RETURN TO LAND AND RISK	(\$179.12)	(\$197.12)	(\$354.25)	(\$560.89)

TABLE 9. Whole farm summary, Portales Valley, Roosevelt County, 2002.

GROSS RETURNS		
WHEAT	82 ACRES	
CROP		\$10,135
GRAZING		\$3,264
DIRECT PAYMENT		\$1,671
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	53 ACRES	
CROP		\$22,488
GRAZING		\$791
DIRECT PAYMENT		\$1,845
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	53 ACRES	
CROP		\$5,784
GRAZING		\$474
DIRECT PAYMENT		\$2,141
COUNTER CYCLICAL PAYMENT		\$0
PEANUTS	63 ACRES	
CROP		\$18,018
GROSS RETURN		<u>\$66,610</u>
CASH OPERATING EXPENSES		
SEED		\$8,026
FERTILIZER		\$15,057
CHEMICALS		\$11,285
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$749
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$5,124
FUEL-IRRIGATION		\$13,625
REPAIRS		\$12,226
CUSTOM CHARGES		\$7,822
LAND TAXES		\$127
OTHER EXPENSES		\$21,566
TOTAL CASH EXPENSES		<u>\$95,758</u>
RETURN OVER CASH EXPENSES		(\$29,148)
FIXED EXPENSES		\$26,308
TOTAL EXPENSES		\$122,065
NET FARM INCOME		(\$55,456)
LABOR AND MANAGEMENT COSTS		\$11,338
NET OPERATING PROFIT		(\$66,794)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,030
INTEREST ON EQUIPMENT INVESTMENT		\$11,060
TOTAL CAPITAL COSTS		<u>\$13,091</u>
RETURN TO LAND AND RISK		<u>(\$79,885)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$86,285)	-18.26%
\$750 /ACRE	(\$89,485)	-14.98%
\$1,000 /ACRE	(\$92,685)	-12.70%
\$1,250 /ACRE	(\$95,885)	-11.03%
\$1,500 /ACRE	(\$99,085)	-9.74%
\$1,750 /ACRE	(\$102,285)	-8.72%
\$2,000 /ACRE	(\$105,485)	-7.90%

* 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)