

TABLE 1. Acreage Summary, Torrance and Santa Fe Counties,
Projected 2004.

BUDGET AREA..... ESTANCIA BASIN, TORRANCE AND SANTA FE COUNTIES			
FARM SIZE.....	160 ACRES		
IRRIGATION TYPE.....	FLOOD		
NUMBER OF CROPS....	3		
		WATER USE	
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	8.00 *	6	48
ALFALFA	40.00	42	1,680
CORN FOR GRAIN	51.00	36	1,836
ARP	0.00		
FLEX IN PINTO BEANS	9.00	36	324
PINTO BEANS	50.00	18	900
IDLE, ROADS, HOMESTEAD	10.00		
TOTAL	160.00		4,788
ACRE FEET PER ACRE OF WATER RIGHTS			2.49

* DOUBLE-CROPPED

TABLE 2. Basic cost information for the Estancia Basin,
Projected 2004.

Item			
Labor Wage Rate:			
Equipment operators	\$/hour		\$6.75
General & Irrigators	\$/hour		\$6.45
Purchased Inputs:			
Fertilizer:			
Anhydrous Ammonia (NH3)	\$/ton		\$450.00
Nitrogen (N)	\$/pound		\$0.29
Phosphate (P205)	\$/pound		\$0.20
Seed:			
Alfalfa	\$/pound		\$2.80
Corn	\$/bag		\$85.00
Pinto Beans	\$/pound		\$0.70
Natural gas	\$/MCF		\$7.22
(service charge)	\$/month		\$10.00
Diesel fuel	\$/gallon		\$1.50
Gasoline	\$/gallon		\$1.45
Electricity	cents/KwHr		3.65
LP Gas	\$/Gal		\$1.21
Employee Liability Insurance	\$/ \$1,000 wages		\$12.00
Employee Benefits	percent/wages		12.00%
Labor Downtime	percent		25.00%
Financial Rates:			
Operating Capital Interest Rate	percent		6.50%
Land Interest Rate	percent		6.00%
Equipment Interest Rate	percent		6.50%
Real Interest Rate	percent		4.00%
Land Taxes	\$100.00 /acre (full value)		\$0.81
Personal Property Tax Rate	- NR	\$/ \$1,000 (Assessed Value)	\$24.17
	- R		\$23.07
Supervision Factors			
Field Crop-Irrigation	\$/labor hour		\$1.00
Field Crop-Equipment & General	\$/labor hour		\$0.50
Management Rate	percent		4.00%

TABLE 3. Overhead cost information for the Estancia Basin,
Projected 2004.

Item			
Electricity (Domestic & Shop)		\$125.00 per month	\$1,500
Telephone		\$90.00 per month	\$1,080
Accounting & Legal			\$500
Misc. Supplies & Hand Tools			\$830
Pickup and Auto			
miles	10,300	@ \$0.365 per mile	\$3,760
Insurance			
- general liability (non-employee)			\$1,080
- fire/theft			\$715
Property Taxes			
- non-planted land			\$30
- other than land & machinery			\$320
Building repairs and maintenance			\$540
Dues, fees, publications			\$280
Farmstead Equipment			\$170
Total			\$10,805
Total Per Planted Acre			\$72.03

TABLE 4. Pumping costs and data for irrigation wells, Estancia Basin,
Projected 2004.

INPUT DATA	
DEPTH CHARACTERISTICS:	
STATIC.....	175
DRAW DOWN.....	25
TOTAL HEAD.....	200
CASING.....	250
GALLONS PER MINUTE (GPM)	500
WORK HORSEPOWER	25
EFFICIENCY FACTOR:	
ELECTRICITY	0.540
NATURAL GAS	0.154
LP GAS	0.154
DIESEL	0.160
FUEL COST PER HOUR:	
ELECTRICITY	\$3.65 CENTS/KwHr
NATURAL GAS	\$7.22 \$/MCF
LP GAS	\$1.21 \$/GAL
DIESEL	\$1.50 \$/GAL
PUMPING COSTS	
ELECTRIC WELL:	
COST PER HOUR	\$1.30
COST PER ACRE INCH	\$1.18
NATURAL GAS WELL:	
COST PER HOUR	\$3.33
COST PER ACRE INCH	\$3.02
LP GAS WELL:	
COST PER HOUR	\$5.53
COST PER ACRE INCH	\$5.00
DIESEL WELL:	
COST PER HOUR	\$4.28
COST PER ACRE INCH	\$3.87

TABLE 5. Equipment summary for a 160 acre flood-irrigated, part-time farm, Estancia Basin,
Projected 2004.

EQUIPMENT		ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS				FIXED COSTS		
ITEM & SIZE	FUEL, OIL, LUBRICANT				REPAIR	FUEL, OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR	
TRACTOR	65 HP	110	1	\$2,400	\$772	\$58	\$7.05	\$0.53	\$138	\$22	\$1.46
TRACTOR	96 HP	141	1	\$19,045	\$1,502	\$454	\$10.66	\$3.22	\$1,430	\$173	\$11.37
TRUCK	1 TON	26	1	\$19,000	\$336	\$252	\$13.16	\$9.88	\$2,533	\$153	\$105.35
COMBINE		36	1	\$1,200	\$420	\$15	\$11.63	\$0.41	\$338	\$54	\$10.84
CORN HEAD		18	1	\$1,300		\$4		\$0.21	\$283	\$17	\$16.83
BEAN HEAD		18	1	\$1,200		\$17		\$0.92	\$267	\$16	\$15.46
BEAN KNIVES		30	1	\$800		\$17		\$0.58	\$107	\$6	\$3.83
SWATHER, PTO	14 FT	19	1	\$3,900		\$17		\$0.87	\$1,450	\$117	\$81.61
BALER, PTO	2 WIRE	25	1	\$1,600		\$12		\$0.46	\$385	\$31	\$16.51
RAKE		14	1	\$750		\$6		\$0.39	\$75	\$6	\$5.72
PLANTER	4 ROW	29	1	\$3,400		\$138		\$4.83	\$680	\$27	\$24.73
CHISEL 12 FT	12 FT	12	1	\$1,200		\$12		\$1.03	\$160	\$10	\$14.38
CULTIVATOR	4 ROW	59	1	\$2,500		\$94		\$1.60	\$333	\$20	\$6.03
DISC	18 FT	34	1	\$5,400		\$132		\$3.89	\$720	\$44	\$22.46
FLOAT		2	1	\$500		\$0		\$0.02	\$53	\$3	\$37.21
DRILL	12 FT	2	1	\$2,200		\$2		\$1.06	\$440	\$18	\$272.46
LISTER	4 ROW	21	1	\$2,150		\$36		\$1.68	\$287	\$17	\$14.31
FERT SPREADER	DEALER FURNISHED	5	1								
WELL NATURAL GAS		4,187	2	\$22,000	\$13,956	\$837	\$3.33	\$0.20	\$2,316	\$177	\$0.65
				\$90,545	\$16,986	\$2,100			\$11,994	\$912	

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 160 acre part-time farm, Estancia Basin, Projected 2004.
Planting dates: August 1 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
SEED	\$2.80	20 LBS	\$56.00					\$56.00
PUMP WATER*		6 AC. IN.						
SUBTOTAL			\$56.00					\$56.00
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	96 HP	0.34 HR		\$2.30	\$3.62	\$2.42	\$11.50	\$19.84
CHISEL	96 HP	0.20 HR		\$1.35	\$2.13	\$0.85	\$5.15	\$9.48
FLOAT	65 HP	0.19 HR		\$1.28	\$1.34	\$0.10	\$7.35	\$10.07
LISTER	96 HP	0.18 HR		\$1.22	\$1.92	\$0.88	\$4.62	\$8.64
FERT SPREADER	65 HP	0.05 HR		\$0.34	\$0.35	\$0.03	\$0.07	\$0.79
DRILL	65 HP	0.21 HR		\$1.42	\$1.48	\$0.33	\$57.52	\$60.75
IRRIGATE		0.75 HR		\$4.84	\$18.10	\$1.09	\$3.54	\$27.57
SUBTOTAL		1.92 HR		\$12.74	\$28.95	\$5.70	\$89.76	\$137.14
OVERHEAD EXPENSES								
DOWNTIME		0.48 HR		\$3.24				\$3.24
EMPLOYEE BENEFITS				\$1.53				\$1.53
INSURANCE			\$0.15					\$0.15
SUPERVISION AND MANAGEMENT				\$9.06				\$9.06
SUBTOTAL		0.48 HR	\$0.15	\$13.83				\$13.98
TOTAL OPERATING EXPENSES		2.40 HR	\$56.15	\$26.56	\$28.95	\$5.70	\$89.76	\$207.12

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 160 acre part-time farm, Estancia Basin, Projected 2004.
Harvesting dates: June 15 - October 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	\$120.00	5.75 TONS (IN FIELD)	\$690.00
GRAZING	\$10.00	1.00 ACRE	\$10.00
TOTAL			\$700.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
NITROGEN (N)	\$0.29	22 LBS	\$6.38		\$6.38
PHOSPHATE (P205)	\$0.20	123 LBS	\$24.60		\$24.60
INSECTICIDE (CUSTOM)	\$23.14	1 ACRE	\$23.14		\$23.14
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
WIRE	\$0.37	49 LBS	\$18.31		\$18.31
ESTABLISHMENT: Principal		5 YEARS		\$41.42	\$41.42
: Interest				\$4.77	\$4.77
PUMP WATER*		42 AC. IN.			
SUBTOTAL			\$72.43	\$51.19	\$123.62

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERT SPREADER	65 HP	0.05 HR		\$0.34	\$0.35	\$0.03	\$0.07	\$0.79
IRRIGATE (7X)		3.50 HR		\$22.58	\$126.71	\$7.60	\$24.81	\$181.70
SUBTOTAL		3.55 HR		\$22.91	\$127.06	\$7.63	\$24.89	\$182.49

HARVEST OPERATIONS

SWATHER (3X)	96 HP	0.48 HR		\$3.24	\$5.12	\$1.96	\$44.63	\$54.95
BALER (3X)	96 HP	0.63 HR		\$4.25	\$6.72	\$2.32	\$17.57	\$30.85
SUBTOTAL		1.11 HR		\$7.49	\$11.83	\$4.28	\$62.20	\$85.80

OVERHEAD EXPENSES

DOWNTIME		0.29 HR		\$1.96				\$1.96
EMPLOYEE BENEFITS				\$3.65				\$3.65
INSURANCE			\$0.36					\$0.36
LAND TAXES							\$0.81	\$0.81
SUPERVISION AND MANAGEMENT				\$32.08				\$32.08
OTHER EXPENSES			\$72.03					\$72.03
SUBTOTAL		0.29 HR		\$72.39	\$37.69		\$0.81	\$110.89

TOTAL OPERATING EXPENSES 4.95 HR \$144.82 \$68.09 \$138.90 \$11.91 \$139.08 \$502.80

NET OPERATING PROFIT \$197.20

INTEREST ON OPERATING CAPITAL (\$73.62 @ 6.50%) \$4.78
INTEREST ON EQUIPMENT INVESTMENT \$47.38

RETURN TO LAND AND RISK \$145.04

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

BUDGET SUMMARY

GROSS RETURN		\$700.00	
VARIABLE OPERATING EXPENSES	\$295.63		
RETURN OVER VARIABLE EXPENSES		\$404.37	(GROSS MARGIN)
FIXED EXPENSES	\$139.08		
NET FARM INCOME		\$265.29	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$68.09		
NET OPERATING PROFIT		\$197.20	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$52.16		
RETURN TO LAND AND RISK		\$145.04	

TABLE 8. Corn for grain, flood-irrigated, budgeted per acre costs and returns for a 160 acre part-time farm, Estancia Basin, Projected 2004.
Planting dates: May 1 - May 20
Harvesting dates: November 1 - November 30

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURN				
CORN FOR GRAIN	\$2.45	160.00 BUSHELS		\$392.00
DIRECT PAYMENT	\$0.28	160.00 BUSHELS	0.85	\$38.08
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 BUSHELS		\$0.00
GRAZING	\$12.00	1.00 ACRE		\$12.00
TOTAL				\$442.08

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.06	25 000	\$26.56		\$26.56
ANHYDROUS AMMONIA (NH3)	\$0.23	200 LBS	\$45.00		\$45.00
NITROGEN (N)	\$0.29	20 LBS	\$5.80		\$5.80
PHOSPHATE (P205)	\$0.20	44 LBS	\$8.80		\$8.80
INSECTICIDE	\$16.99	1 ACRE	\$16.99		\$16.99
HERBICIDE	\$16.99	1 ACRE	\$16.99		\$16.99
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
PUMP WATER*		36 AC. IN.			
CROP INSURANCE	\$0.98				\$0.98
SUBTOTAL			\$120.13	\$5.00	\$126.11

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	96 HP	0.22 HR		\$1.49	\$2.34	\$1.56	\$7.44	\$12.84
CHISEL	96 HP	0.20 HR		\$1.35	\$2.13	\$0.85	\$5.15	\$9.48
FERT SPREADER	65 HP	0.05 HR		\$0.34	\$0.35	\$0.03	\$0.07	\$0.79
LISTER	96 HP	0.18 HR		\$1.22	\$1.92	\$0.88	\$4.62	\$8.64
PRE IRRIGATE		0.75 HR		\$4.84	\$18.10	\$1.09	\$3.54	\$27.57
PLANTER	65 HP	0.26 HR		\$1.76	\$1.83	\$1.39	\$6.81	\$11.79
CULTIVATOR (2X)	65 HP	0.42 HR		\$2.84	\$2.96	\$0.89	\$3.15	\$9.84
IRRIGATE (5X)		2.50 HR		\$16.13	\$90.51	\$5.43	\$17.72	\$129.79
SUBTOTAL		4.58 HR		\$29.94	\$120.15	\$12.12	\$48.52	\$210.73

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE	4-ROW	0.35 HR		\$2.36	\$4.07	\$0.22	\$9.69	\$16.33
HAUL	1-TON	0.50 HR		\$3.38	\$6.58	\$4.94	\$52.67	\$67.57
SUBTOTAL		0.85 HR		\$5.74	\$10.65	\$5.16	\$62.36	\$83.90

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.55 HR		\$3.68				\$3.68
EMPLOYEE BENEFITS			\$4.28				\$4.28
INSURANCE		\$0.43					\$0.43
LAND TAXES						\$0.81	\$0.81
SUPERVISION AND MANAGEMENT			\$24.15				\$24.15
OTHER EXPENSES		\$72.03					\$72.03
SUBTOTAL	0.55 HR	\$72.46	\$32.11			\$0.81	\$105.38

TOTAL OPERATING EXPENSES	5.98 HR	\$192.59	\$67.79	\$130.80	\$17.28	\$116.68	\$526.13
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NET OPERATING PROFIT							(\$84.05)
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INTEREST ON OPERATING CAPITAL	(\$94.94	@	6.50%)		\$6.17
INTEREST ON EQUIPMENT INVESTMENT							\$51.82

RETURN TO LAND AND RISK							(\$142.04)
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$442.08	
VARIABLE OPERATING EXPENSES	\$340.67		
RETURN OVER VARIABLE EXPENSES		\$101.41	(GROSS MARGIN)
FIXED EXPENSES	\$116.68		
NET FARM INCOME		(\$15.28)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$67.79		
NET OPERATING PROFIT		(\$83.07)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$57.99		
RETURN TO LAND AND RISK		(\$141.06)	

TABLE 9. Pinto beans, flood-irrigated, budgeted per acre costs and returns for a 160 acre part-time farm, Estancia Basin, Projected 2004.
 Planting dates: May 15 - June 10
 Harvesting dates: September 1 - October 31

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
PINTO BEANS	\$25.00	18.00 CWT (BAGGED, CLEANED)	\$450.00
TOTAL			\$450.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.70	60 LBS	\$42.00		\$42.00
INSECTICIDE (FLY-ON)	\$11.85	1 ACRE	\$11.85		\$11.85
HERBICIDE	\$16.99	1 ACRE	\$16.99		\$16.99
PUMP WATER*		18 AC. IN.			
SUBTOTAL			\$70.84		\$70.84

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	96 HP	0.34 HR		\$2.30	\$3.62	\$2.42	\$11.50	\$19.84
LISTER	96 HP	0.18 HR		\$1.22	\$1.92	\$0.88	\$4.62	\$8.64
PRE-IRRIGATE		0.75 HR		\$4.84	\$18.10	\$1.09	\$3.54	\$27.57
PLANTER	65 HP	0.26 HR		\$1.76	\$1.83	\$1.39	\$6.81	\$11.79
CULTIVATOR (3X)	65 HP	0.63 HR		\$4.06	\$4.44	\$1.34	\$4.72	\$14.56
IRRIGATE (2X)		1.00 HR		\$6.45	\$36.20	\$2.17	\$7.09	\$51.92
SUBTOTAL		3.16 HR		\$20.62	\$66.12	\$9.29	\$38.29	\$134.32

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CUT	96 HP	0.50 HR		\$3.38	\$5.33	\$1.90	\$7.60	\$18.21
RAKE	65 HP	0.24 HR		\$1.62	\$1.69	\$0.22	\$1.72	\$5.26
COMBINE		0.31 HR		\$2.09	\$3.60	\$0.41	\$8.15	\$14.26
CLEANING & BAGGING			\$54.00					\$54.00
SUBTOTAL		1.05 HR	\$54.00	\$7.09	\$10.63	\$2.53	\$17.48	\$91.72

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.62 HR		\$4.15				\$4.15
EMPLOYEE BENEFITS			\$3.32				\$3.32
INSURANCE		\$0.33					\$0.33
LAND TAXES						\$0.81	\$0.81
SUPERVISION AND MANAGEMENT			\$21.13				\$21.13
OTHER EXPENSES		\$72.03					\$72.03
SUBTOTAL	0.62 HR	\$72.36	\$28.61			\$0.81	\$101.77

TOTAL OPERATING EXPENSES 4.83 HR \$197.20 \$56.31 \$76.75 \$11.82 \$56.58 \$398.65

NET OPERATING PROFIT \$51.35

INTEREST ON OPERATING CAPITAL (\$59.87 @ 6.50%) \$3.89
 INTEREST ON EQUIPMENT INVESTMENT \$30.84

RETURN TO LAND AND RISK \$16.61

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

GROSS RETURN		\$450.00	
VARIABLE OPERATING EXPENSES	\$285.77		
RETURN OVER VARIABLE EXPENSES		\$164.23	(GROSS MARGIN)
FIXED EXPENSES	\$56.58		
NET FARM INCOME		\$107.66	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$56.31		
NET OPERATING PROFIT		\$51.35	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$34.74		
RETURN TO LAND AND RISK		\$16.61	

TABLE 10. Summary of per acre costs and returns for a 160 acre part-time, flood-irrigated farm, Estancia Basin, New Mexico, Projected 2004.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	CORN FOR GRAIN	PINTO BEANS
		TONS	BU	CWT
PRIMARY YIELD		5.75	160.00	18.00
PRIMARY PRICE		\$120.00	\$2.45	\$25.00
GOVERNMENT PAYMENTS		\$0.00	\$38.08	\$0.00
SECOND INCOME		\$10.00	\$12.00	\$0.00
GROSS RETURN		\$700.00	\$442.08	\$450.00
CASH OPERATING EXPENSES				
SEED	\$56.00		\$26.56	\$42.00
FERTILIZER		\$30.98	\$59.60	
CHEMICALS		\$23.14	\$33.97	\$28.84
CROP INSURANCE			\$0.98	
OTHER PURCHASED INPUTS		\$18.31		
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$10.85	\$12.18	\$22.19	\$22.44
FUEL-IRRIGATION	\$18.10	\$126.71	\$108.61	\$54.31
REPAIRS	\$5.70	\$11.91	\$17.28	\$11.82
CUSTOM CHARGES				\$54.00
LAND TAXES		\$0.81	\$0.81	\$0.81
OTHER EXPENSES	\$0.15	\$72.39	\$72.46	\$72.36
TOTAL CASH EXPENSES	\$90.80	\$296.44	\$342.46	\$286.57
RETURN OVER CASH EXPENSES	(\$90.80)	\$403.56	\$99.62	\$163.43
FIXED EXPENSES	\$89.76	\$138.28	\$115.88	\$55.77
TOTAL EXPENSES	\$180.56	\$434.71	\$458.34	\$342.34
NET FARM INCOME	(\$180.56)	\$265.29	(\$16.26)	\$107.66
LABOR AND MANAGEMENT COSTS	\$26.56	\$68.09	\$67.79	\$56.31
NET OPERATING PROFIT	(\$207.12)	\$197.20	(\$84.05)	\$51.35
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$4.78	\$6.17	\$3.89
INTEREST ON EQUIPMENT INVESTMENT		\$47.38	\$51.82	\$30.84
TOTAL CAPITAL COSTS	\$0.00	\$52.16	\$57.99	\$34.74
RETURN TO LAND AND RISK	(\$207.12)	\$145.04	(\$142.04)	\$16.61

TABLE 11. Whole farm summary, Estancia Basin,
Projected 2004.

GROSS RETURNS		
ALFALFA HAY	40.00 ACRES	
CROP		\$27,600
GRAZING		\$400
CORN FOR GRAIN	51.00 ACRES	
CROP		\$19,992
GRAZING		\$612
DIRECT PAYMENT		\$1,599
PINTO BEANS	59.00 ACRES	
CROP		\$26,550
GROSS RETURN		<u>\$76,753</u>
CASH OPERATING EXPENSES		
SEED		\$4,281
FERTILIZER		\$4,279
CHEMICALS		\$4,360
CROP INSURANCE		\$50
OTHER PURCHASED INPUTS		\$732
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$3,030
FUEL-IRRIGATION		\$13,956
REPAIRS		\$2,100
CUSTOM CHARGES		\$3,186
LAND TAXES		\$121
OTHER EXPENSES		\$10,862
TOTAL CASH EXPENSES		<u>\$46,957</u>
RETURN OVER CASH EXPENSES		\$29,796
FIXED EXPENSES		\$13,792
TOTAL EXPENSES		\$60,749
NET FARM INCOME		\$16,004
LABOR AND MANAGEMENT COSTS		\$9,716
NET OPERATING PROFIT		\$6,288
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$736
INTEREST ON EQUIPMENT INVESTMENT		\$6,358
TOTAL CAPITAL COSTS		<u>\$7,093</u>
RETURN TO LAND AND RISK		<u>(\$805)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$750 /ACRE	(\$5,605)	2.99%
\$1,000 /ACRE	(\$7,205)	2.51%
\$1,250 /ACRE	(\$8,805)	2.16%
\$1,500 /ACRE	(\$10,405)	1.90%

* 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)