

TABLE 1. Acreage Summary, Chaves County, Roswell-Hagermand Area, Projected 2004.

BUDGET AREA..... ROSWELL-HAGERMAN AREA, CHAVES COUNTY			
FARM SIZE.....	320	ACRES	
IRRIGATION TYPE.....	SPRINKLER		
NUMBER OF CROPS.....	5		
		WATER USE	
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	35.00 *	16	560
ALFALFA	175.00	54	9,450
WHEAT	25.50	28	714
ARP	0.00		
FLEX IN OAT HAY	4.50	28	126
OAT HAY	25.00	21	525
PICKER COTTON	34.00	28	952
ARP	0.00		
FLEX IN OAT HAY	6.00	28	168
STRIPPER COTTON	34.00	28	952
ARP	0.00		
FLEX IN OAT HAY	6.00	28	168
ROADS, DITCHES, HOMESTEAD	10.00		
	<u>TOTAL</u>		<u>13,615</u>
	ACRE FEET PER ACRE OF WATER RIGHTS		3.55

* DOUBLE-CROPPED

TABLE 2. Basic cost information for the Roswell-Hagerman area, Chaves County, Projected 2004.

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$7.45
General & Irrigators	\$/hour	\$6.35
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.32
Phosphate (P205)	\$/pound	\$0.30
Seed:		
Alfalfa	\$/pound	\$2.80
Cotton		
picker	\$/pound	\$0.68
stripper	\$/pound	\$0.68
Oat Hay	\$/pound	\$0.31
Wheat	\$/pound	\$0.18
Plastic Twine:	\$/box	\$0.20
Natural gas	\$/MCF	\$3.28
Diesel fuel	\$/gallon	\$1.50
Gasoline	\$/gallon	\$1.45
Electricity	cents/KwHr	\$5.84
LP Gas	\$/gallon	\$1.18
Employee Liability Insurance	\$/wages	\$20.00
Employee Benefits	percent/wages	18.00%
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	\$185.00 /acre (full value)	\$1.53
Personal Property Tax Rate - NR	\$/1,000 (Assessed Value)	\$24.78
- R		\$21.03
Supervision Factors		
Field Crop-Irrigation	\$/labor hour	\$1.00
Field Crop-Equipment & General	\$/labor hour	\$0.50
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Roswell-Hagerman area, Chaves County, Projected 2004.

Item		
Electricity (Domestic & Shop)	\$0.00 per month	\$0
Telephone	\$0.00 per month	\$0
Accounting & Legal		\$0
Misc. Supplies & Hand Tools		\$0
Pickup and Auto		
miles	0 @ \$0.000 per mile	\$0
Insurance		
- general liability (non-employee)		\$0
- fire/theft		\$0
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$0
Building repairs and maintenance		\$0
Dues, fees, publications		\$0
Farmstead Equipment		\$0
	Total	<u>\$0</u>
	Total Per Planted Acre	\$0.00

TABLE 4. Pumping costs and data for irrigation wells, Roswell-Hagerman area, chaves County
Projected 2005.

INPUT DATA	
DELIVERY PSI:	0
DEPTH CHARACTERISTICS:	
STATIC.....	150
DRAW DOWN.....	30
TOTAL HEAD.....	180
CASING.....	600
GALLONS PER MINUTE (GPM)	1,000
WORK HORSEPOWER	45
EFFICIENCY FACTOR:	
ELECTRICITY	0.540
NATURAL GAS	0.154
LP GAS	0.154
DIESEL	0.160
FUEL COST PER UNIT:	
ELECTRICITY	6.15 CENTS/KwHr
NATURAL GAS	\$3.28 \$/MCF
LP GAS	\$1.70 \$/GAL
DIESEL	\$2.10 \$/GAL

PUMPING FUEL COSTS

ELECTRIC WELL:	
COST PER HOUR	\$3.89
COST PER ACRE INCH	\$1.76
NATURAL GAS WELL:	
COST PER HOUR	\$2.73
COST PER ACRE INCH	\$1.24
LP GAS WELL:	
COST PER HOUR	\$13.93
COST PER ACRE INCH	\$6.31
DIESEL WELL:	
COST PER HOUR	\$10.75
COST PER ACRE INCH	\$4.86

TABLE 5. Equipment summary for a 640 acre flood-irrigated farm with above average management, Roswell-Hagerman area
Projected 2005.

EQUIPMENT	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS				FIXED COSTS			
				FUEL, OIL, LUBRICANT	REPAIR	FUEL, OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR	
TRACTOR	96 HP	380	1	\$9,473	\$4,628	\$788	\$12.18	\$2.07	\$1,152	\$143	\$3.41
TRACTOR	130 HP	315	1	\$30,616	\$5,448	\$964	\$17.32	\$3.06	\$3,404	\$211	\$11.49
TRACTOR	145 HP	345	1	\$19,725	\$5,984	\$1,058	\$17.32	\$3.06	\$2,043	\$211	\$6.52
COTTON PICKER	2 ROW	63	1	\$9,430	\$803	\$452	\$12.70	\$7.15	\$5,960	\$369	\$100.08
COTTON STRIPPER MTD		63	1	\$2,950		\$58		\$0.92	\$767	\$47	\$12.87
SWATHER	16 FT	179	1	\$21,350	\$1,407	\$259	\$7.86	\$1.45	\$3,621	\$299	\$21.91
BALER	1 TON	109	1	\$41,720		\$191		\$1.74	\$5,812	\$360	\$56.44
PLANTER	4 ROW	42	1	\$3,400		\$69		\$1.63	\$680	\$28	\$16.81
ROLLING CULT	4 ROW	132	1	\$2,000		\$326		\$2.48	\$267	\$17	\$2.15
DISC OFFSET	14 FT	105	1	\$5,750		\$749		\$7.13	\$767	\$47	\$7.75
DRILL	13 FT	42	1	\$2,150		\$43		\$1.03	\$430	\$18	\$10.77
PLANE	12 FT	29	1	\$2,500		\$3		\$0.10	\$333	\$21	\$12.29
FLOAT	14 FT	26	1	\$600		\$0		\$0.02	\$60	\$4	\$2.46
LISTER	4 ROW	29	1	\$1,600		\$58		\$1.98	\$213	\$13	\$7.77
PLOW (MOLDBOARD)	4-16 IN	131	1	\$5,100		\$829		\$6.32	\$680	\$42	\$5.51
SHREDDER	4 ROW	14	1	\$750		\$4		\$0.30	\$100	\$6	\$7.44
COTTON TRAILER		128	6	\$7,200		\$6		\$0.05	\$720	\$59	\$6.11
SPRAYER	12 FT	42	1	\$1,375		\$28		\$0.66	\$183	\$11	\$4.62
FRONT END LOADER (ATTACH)		79	1	\$2,550		\$251		\$3.16	\$255	\$21	\$3.48
SEMI-TRUCK & FLATBED		194	1	\$17,500	\$0	\$542	\$0.00	\$2.80	\$3,500	\$145	\$18.83
RAKES		79	1	\$3,400		\$76		\$0.95	\$340	\$28	\$4.64
V-DITCHER		32	1	\$1,250		\$2		\$0.05	\$167	\$10	\$5.59
NATURAL GAS WELL		11,835	2	\$38,200	\$32,323	\$0	\$2.73	\$0.00	\$3,056	\$316	\$0.30
				\$230,588	\$50,593	\$6,755			\$34,508	\$2,426	

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area
 Projected 2005.
 Planting dates: September 1 - September 31

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
SEED	\$2.88	30.00 LBS		\$86.40				\$86.40
INSECTICIDE (CUSTOM)	\$13.38	1 ACRE		\$13.38				\$13.38
PUMP WATER*		16.00 AC. IN.						
SUBTOTAL				\$99.78				\$99.78
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.27	\$5.89	\$1.73	\$2.43	\$11.32
PLOW	145 HP	0.48 HR		\$3.58	\$8.32	\$4.51	\$5.78	\$22.17
DISC (2X)	145 HP	0.34 HR		\$2.53	\$5.89	\$3.47	\$4.85	\$16.74
PLANE (2X)	130 HP	0.48 HR		\$3.58	\$8.31	\$1.52	\$11.42	\$24.83
DRILL	96 HP	0.21 HR		\$1.56	\$2.56	\$0.65	\$2.98	\$7.75
DITCHER (2X)	130 HP	0.10 HR		\$0.75	\$1.73	\$0.31	\$1.71	\$4.50
IRRIGATE (2X)		1.00 HR		\$6.35	\$19.78	\$0.00	\$2.18	\$28.31
SUBTOTAL		2.78 HR		\$19.61	\$52.48	\$12.19	\$31.34	\$115.61
OVERHEAD EXPENSES								
DOWNTIME		0.45 HR		\$3.32				\$3.32
EMPLOYEE BENEFITS				\$3.53				\$3.53
INSURANCE			\$0.39					\$0.39
SUPERVISION AND MANAGEMENT				\$16.92				\$16.92
SUBTOTAL		0.45 HR	\$0.39	\$23.76				\$24.15
TOTAL OPERATING EXPENSES		3.23 HR	\$100.17	\$43.37	\$52.48	\$12.19	\$31.34	\$239.54

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area
 Projected 2005.
 Harvesting dates: May 20 - October 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
ALFALFA HAY	\$140.00	6.5 TONS (DELIVERED)						\$910.00
TOTAL							\$910.00	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
FERTILIZER (10-26-10)	\$0.12	200 LBS	\$24.00					\$24.00
INSECTICIDE (CUSTOM)	\$44.48	1 ACRE	\$44.48					\$44.48
HERBICIDE (CUSTOM)	\$28.11	1 ACRE	\$28.11					\$28.11
PLASTIC TWINE	\$0.21	170 FT/TON	\$0.06					\$0.06
ESTABLISHMENT: Principal		5 YEARS					\$47.91	\$47.91
: Interest							\$9.14	\$9.14
PUMP WATER*		54 AC. IN.						
SUBTOTAL			\$96.65				\$57.05	\$153.69
PREHARVEST OPERATIONS								
PURCHASED INPUTS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (6X)		3.00 HR		\$19.05	\$66.74	\$0.00	\$7.36	\$93.15
SUBTOTAL		3.00 HR		\$19.05	\$66.74	\$0.00	\$7.36	\$93.15
HARVEST OPERATIONS								
SWATHER (5X)	14 FT	0.55 HR		\$4.10	\$4.32	\$0.80	\$12.05	\$21.27
RAKE (5X)	96 HP	0.25 HR		\$1.86	\$3.04	\$0.76	\$2.01	\$7.67
BALER (5X)	145 HP	0.35 HR		\$2.61	\$6.06	\$1.68	\$22.04	\$32.39
FRONT END LOADER (5X)	130 HP	0.25 HR		\$1.86	\$4.33	\$1.56	\$3.74	\$11.49
HAUL	SEMI	0.50 HR		\$3.73	\$0.00	\$1.40	\$9.42	\$14.54
SUBTOTAL		1.90 HR		\$14.16	\$17.76	\$6.19	\$49.26	\$87.37
OVERHEAD EXPENSES								
DOWNTIME		0.48 HR		\$3.54				\$3.54
EMPLOYEE BENEFITS				\$5.98				\$5.98
INSURANCE			\$0.66					\$0.66
LAND TAXES						\$1.53		\$1.53
SUPERVISION AND MANAGEMENT				\$67.65				\$67.65
OTHER EXPENSES			\$0.00					\$0.00
SUBTOTAL		0.48 HR	\$0.66	\$77.17			\$1.53	\$79.36
TOTAL OPERATING EXPENSES		5.38 HR	\$97.31	\$110.37	\$84.51	\$6.19	\$115.19	\$413.57
NET OPERATING PROFIT								\$496.43
INTEREST ON OPERATING CAPITAL		(	\$67.01	@	7.00%	)		\$4.69
INTEREST ON EQUIPMENT INVESTMENT								\$28.82
RETURN TO LAND AND RISK								\$462.92

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

BUDGET SUMMARY

GROSS RETURN		\$910.00	
VARIABLE OPERATING EXPENSES	\$188.01		
RETURN OVER VARIABLE EXPENSES		\$721.99	(GROSS MARGIN)
FIXED EXPENSES	\$115.19		
NET FARM INCOME		\$606.80	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$110.37		
NET OPERATING PROFIT		\$496.43	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$33.51		
RETURN TO LAND AND RISK		\$462.92	

TABLE 8. Wheat, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area, Projected 2005.
Planting dates: August 15 - November 1
Harvesting dates: June 15 - July 1

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$6.25	40.00 CWT		\$250.00
DIRECT PAYMENT	\$0.00	40.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$44.00	1.00 ACRE		\$44.00
TOTAL				\$294.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.24	100 LBS	\$24.00		\$24.00
NITROGEN (N)	\$0.40	150 LBS	\$60.00		\$60.00
PHOSPHATE (P205)	\$0.31	50 LBS	\$15.50		\$15.50
INSECTICIDE	\$19.17	1 ACRE	\$19.17		\$19.17
PUMP WATER*		28 AC. IN.			
CROP INSURANCE	\$0.98		\$0.98		\$0.98
SUBTOTAL			\$119.65		\$119.65

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.48 HR		\$3.58	\$8.32	\$4.51	\$5.78	\$22.17
DISC (2X)	145 HP	0.34 HR		\$2.53	\$5.89	\$3.47	\$4.85	\$16.74
FERTILIZE	DEALER APPLIED							
DRILL	96 HP	0.21 HR		\$1.56	\$2.56	\$0.65	\$2.98	\$7.75
DITCHER (2X)	130 HP	0.10 HR		\$0.75	\$1.73	\$0.31	\$1.71	\$4.50
IRRIGATE (4X)		2.00 HR		\$12.70	\$34.61	\$0.00	\$3.82	\$51.12
SUBTOTAL		3.13 HR		\$21.12	\$53.10	\$8.94	\$19.13	\$102.29

HARVEST OPERATIONS

COMBINE (CUSTOM)			\$28.04					\$28.04
HAUL (CUSTOM)			\$6.80					\$6.80
SUBTOTAL			\$34.84					\$34.84

OVERHEAD EXPENSES

DOWNTIME		0.28 HR		\$2.10				\$2.10
EMPLOYEE BENEFITS				\$3.80				\$3.80
INSURANCE			\$0.42					\$0.42
LAND TAXES						\$1.53		\$1.53
SUPERVISION AND MANAGEMENT				\$23.10				\$23.10
OTHER EXPENSES			\$0.00					\$0.00
SUBTOTAL		0.28 HR	\$0.42	\$29.00			\$1.53	\$30.95

TOTAL OPERATING EXPENSES 3.41 HR \$154.92 \$50.12 \$53.10 \$8.94 \$20.66 \$287.73

NET OPERATING PROFIT \$6.27

INTEREST ON OPERATING CAPITAL	(	\$78.24	@	7.00%	)	\$5.48
INTEREST ON EQUIPMENT INVESTMENT						\$10.56

RETURN TO LAND AND RISK (\$9.77)

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

BUDGET SUMMARY

GROSS RETURN		\$294.00	
VARIABLE OPERATING EXPENSES	\$216.96		
RETURN OVER VARIABLE EXPENSES		\$77.04	(GROSS MARGIN)
FIXED EXPENSES	\$20.66		
NET FARM INCOME		\$56.39	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$50.12		
NET OPERATING PROFIT		\$6.27	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$16.03		
RETURN TO LAND AND RISK		(\$9.77)	

TABLE 9. Oat hay, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area, Projected 2005.
Planting dates: February 15 - April 1
Harvesting dates: June 15 - July 1

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
OAT HAY	\$90.00	5.00 TONS (DELIVERED)						\$450.00
TOTAL								\$450.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.27	80 LBS	\$21.60					\$21.60
NITROGEN (N)	\$0.40	85 LBS	\$34.00					\$34.00
PUMP WATER*		21 AC. IN.						
SUBTOTAL			\$55.60					\$55.60

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	145 HP	0.34 HR		\$2.53	\$5.89	\$3.47	\$4.85	\$16.74
DRILL	96 HP	0.21 HR		\$1.56	\$2.56	\$0.65	\$2.98	\$7.75
DITCHER (2X)	130 HP	0.05 HR		\$0.37	\$0.87	\$0.16	\$0.85	\$2.25
IRRIGATE (3X)		1.50 HR		\$9.53	\$25.96	\$0.00	\$2.86	\$38.34
SUBTOTAL		2.10 HR		\$14.00	\$35.27	\$4.27	\$11.55	\$65.08

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER	14 FT	0.16 HR		\$1.19	\$1.26	\$0.23	\$3.51	\$6.19
RAKE	96 HP	0.05 HR		\$0.37	\$0.61	\$0.15	\$0.40	\$1.53
BALER	145 HP	0.05 HR		\$0.37	\$0.87	\$0.24	\$3.15	\$4.63
FRONT END LOADER	130 HP	0.05 HR		\$0.37	\$0.87	\$0.31	\$0.75	\$2.30
HAUL	SEMI	0.50 HR		\$3.73	\$0.00	\$1.40	\$9.42	\$14.54
SUBTOTAL		0.81 HR		\$6.03	\$3.60	\$2.33	\$17.22	\$29.19

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.35 HR		\$2.63				\$2.63
EMPLOYEE BENEFITS			\$3.61				\$3.61
INSURANCE		\$0.40					\$0.40
LAND TAXES							\$1.53
SUPERVISION AND MANAGEMENT			\$33.68				\$33.68
OTHER EXPENSES		\$0.00					\$0.00
SUBTOTAL	0.35 HR	\$0.40	\$39.91				\$41.84

TOTAL OPERATING EXPENSES	3.26 HR	\$56.00	\$59.94	\$38.87	\$6.61	\$30.30	\$191.71
NET OPERATING PROFIT							\$258.29
INTEREST ON OPERATING CAPITAL	(\$38.18 @	7.00%	)				\$2.67
INTEREST ON EQUIPMENT INVESTMENT							\$13.78
RETURN TO LAND AND RISK							\$241.84

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

BUDGET SUMMARY

GROSS RETURN		\$450.00	
VARIABLE OPERATING EXPENSES	\$101.48		
RETURN OVER VARIABLE EXPENSES		\$348.52	(GROSS MARGIN)
FIXED EXPENSES	\$30.30		
NET FARM INCOME		\$318.23	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$59.94		
NET OPERATING PROFIT		\$258.29	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$16.45		
RETURN TO LAND AND RISK		\$241.84	

TABLE 10. Upland cotton (picker), flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area, Projected 2005.

Planting dates: April 15 - June 1
Harvesting dates: October 1 - December 31

ITEM	PRICE	YIELD	BASE					TOTAL
GROSS RETURNS								
COTTON LINT	\$0.60	750 LBS						\$450.00
COTTON SEED	\$0.07	1,200 LBS						\$78.00
DIRECT PAYMENT	\$0.0000	750 LBS	0.85					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	750 LBS	0.85					\$87.53
TOTAL								\$615.53
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.72	20 LBS	\$14.40					\$14.40
NITROGEN (N)	\$0.40	32 LBS	\$12.80					\$12.80
PHOSPHATE (P205)	\$0.31	40 LBS	\$12.40					\$12.40
HERBICIDE	\$15.88	1 ACRE	\$15.88					\$15.88
HERBICIDE (CUSTOM)	\$16.96	1 ACRE	\$16.96					\$16.96
INSECTICIDE (CUSTOM) 2X	\$37.15	1 ACRE	\$37.15					\$37.15
CROP INSURANCE			\$0.98					\$0.98
PUMP WATER*		28 AC. IN.						
SUBTOTAL			\$110.57					\$110.57
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.27	\$2.94	\$1.73	\$2.43	\$8.37
PLOW	145 HP	0.48 HR		\$3.58	\$8.32	\$4.51	\$5.78	\$22.17
FLOAT	130 HP	0.16 HR		\$1.19	\$2.77	\$0.49	\$2.23	\$6.69
FERTILIZE	DEALER APPLIED							
LISTER	130 HP	0.18 HR		\$1.34	\$3.12	\$0.91	\$3.47	\$8.84
PRE-IRRIGATE		0.75 HR		\$4.76	\$8.65	\$0.00	\$0.95	\$14.37
CULT & SPRAY	96 HP	0.26 HR		\$1.94	\$3.17	\$1.36	\$2.65	\$9.11
PLANTER	130 HP	0.26 HR		\$1.94	\$4.50	\$1.22	\$7.36	\$15.02
CULTIVATOR (3X)	96 HP	0.63 HR		\$4.69	\$7.67	\$2.87	\$3.50	\$18.74
HAND HOE (CUSTOM)			\$20.00					\$20.00
DITCHER (2X)	130 HP	0.10 HR		\$0.75	\$1.73	\$0.31	\$1.71	\$4.50
IRRIGATE (3X)		1.50 HR		\$9.53	\$25.96	\$0.00	\$2.86	\$38.34
SUBTOTAL		4.49 HR	\$20.00	\$30.98	\$68.83	\$13.40	\$32.93	\$166.14
HARVEST OPERATIONS								
COTTON PICKER (2X)	2-ROW	1.24 HR		\$9.24	\$15.75	\$8.87	\$124.10	\$157.96
HAUL (2X)	65 HP	1.00 HR		\$7.45	\$12.18	\$2.12	\$9.52	\$31.27
GIN COTTON (CUSTOM)			\$123.60					\$123.60
SUBTOTAL		2.24 HR	\$123.60	\$16.69	\$27.93	\$10.99	\$133.62	\$312.83
POSTHARVEST OPERATIONS								
SHREDDER	96 HP	0.14 HR		\$1.04	\$2.43	\$0.47	\$2.65	\$6.59
SUBTOTAL		0.14 HR		\$1.04	\$2.43	\$0.47	\$2.65	\$6.59
OVERHEAD EXPENSES								
DOWNTIME		1.16 HR		\$8.60				\$8.60
EMPLOYEE BENEFITS				\$8.77				\$8.77
INSURANCE			\$0.97					\$0.97
LAND TAXES						\$1.53		\$1.53
SUPERVISION AND MANAGEMENT				\$47.60				\$47.60
OTHER EXPENSES			\$0.00					\$0.00
SUBTOTAL		1.16 HR	\$0.97	\$64.97			\$1.53	\$67.47
TOTAL OPERATING EXPENSES		8.03 HR	\$255.14	\$113.68	\$99.19	\$24.86	\$170.74	\$663.60
NET OPERATING PROFIT								(\$48.07)
INTEREST ON OPERATING CAPITAL		(\$79.33 @	7.00%	)				\$5.55
INTEREST ON EQUIPMENT INVESTMENT								\$13.78
RETURN TO LAND AND RISK								(\$67.40)

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

GROSS RETURN		\$615.53	
VARIABLE OPERATING EXPENSES	\$379.19		
RETURN OVER VARIABLE EXPENSES		\$236.34	(GROSS MARGIN)
FIXED EXPENSES	\$170.74		
NET FARM INCOME		\$65.60	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$113.68		
NET OPERATING PROFIT		(\$48.07)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$19.33		
RETURN TO LAND AND RISK		(\$67.40)	

TABLE 11. Upland cotton (stripper), flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area, Projected 2005.

Planting dates: April 15 - June 1
Harvesting dates: October 1 - December 31

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
COTTON LINT	\$0.55	750 LBS		\$412.50
COTTON SEED	\$0.07	1,200 LBS		\$78.00
DIRECT PAYMENT	\$0.0000	750 LBS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	750 LBS	0.85	\$87.53
TOTAL				\$578.03

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.72	25 LBS	\$18.00		\$18.00
NITROGEN (N)	\$0.40	32 LBS	\$12.80		\$12.80
PHOSPHATE (P205)	\$0.31	40 LBS	\$12.40		\$12.40
HERBICIDE	\$15.88	1 ACRE	\$15.88		\$15.88
HERBICIDE (CUSTOM)	\$15.82	1 ACRE	\$15.82		\$15.82
INSECTICIDE (CUSTOM) 2X	\$35.20	1 X/ACRE	\$35.20		\$35.20
CROP INSURANCE			\$0.98		\$0.98
PUMP WATER*		28 AC. IN.			
SUBTOTAL			\$111.09		\$111.09

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.27	\$2.94	\$1.73	\$2.43	\$8.37
PLOW	145 HP	0.48 HR		\$3.58	\$8.32	\$4.51	\$5.78	\$22.17
FLOAT	130 HP	0.16 HR		\$1.19	\$2.77	\$0.49	\$2.23	\$6.69
FERTILIZE	DEALER APPLIED							
LISTER	130 HP	0.18 HR		\$1.34	\$3.12	\$0.91	\$3.47	\$8.84
PRE-IRRIGATE		0.75 HR		\$4.76	\$8.65	\$0.00	\$0.95	\$14.37
CULT & SPRAY	96 HP	0.26 HR		\$1.94	\$3.17	\$1.36	\$2.65	\$9.11
PLANTER	130 HP	0.26 HR		\$1.94	\$4.50	\$1.22	\$7.36	\$15.02
CULTIVATOR (3X)	96 HP	0.63 HR		\$4.69	\$7.67	\$2.87	\$3.50	\$18.74
HAND HOE (CUSTOM)			\$20.00					\$20.00
DITCHER (2X)	130 HP	0.10 HR		\$0.75	\$1.73	\$0.31	\$1.71	\$4.50
IRRIGATE (3X)		1.50 HR		\$9.53	\$25.96	\$0.00	\$2.86	\$38.34
SUBTOTAL		4.49 HR	\$20.00	\$30.98	\$68.83	\$13.40	\$32.93	\$166.14

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COTTON STRIPPER	96 HP	1.24 HR		\$9.24	\$21.48	\$4.94	\$30.22	\$65.88
HAUL	130 HP	1.50 HR		\$11.18	\$18.27	\$3.18	\$14.28	\$46.90
GIN COTTON (CUSTOM)			\$159.08					\$159.08
SUBTOTAL		2.74 HR	\$159.08	\$20.41	\$39.75	\$8.12	\$44.50	\$271.85

POSTHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SHREDDER	130 HP	0.14 HR		\$1.04	\$2.43	\$0.47	\$2.65	\$6.59
SUBTOTAL		0.14 HR		\$1.04	\$2.43	\$0.47	\$2.65	\$6.59

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	1.28 HR		\$9.54				\$9.54
EMPLOYEE BENEFITS			\$9.44				\$9.44
INSURANCE		\$1.05					\$1.05
LAND TAXES						\$1.53	\$1.53
SUPERVISION AND MANAGEMENT			\$45.22				\$45.22
OTHER EXPENSES		\$0.00					\$0.00
SUBTOTAL	1.28 HR	\$1.05	\$64.20			\$1.53	\$66.77

TOTAL OPERATING EXPENSES		8.65 HR	\$291.21	\$116.63	\$111.01	\$21.99	\$81.61	\$622.44
NET OPERATING PROFIT								(\$44.41)
INTEREST ON OPERATING CAPITAL	(	\$80.33	@	7.00%	)			\$5.62
INTEREST ON EQUIPMENT INVESTMENT								\$39.75
RETURN TO LAND AND RISK								(\$89.78)

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

GROSS RETURN		\$578.03		
VARIABLE OPERATING EXPENSES	\$424.21			
RETURN OVER VARIABLE EXPENSES		\$153.82	(GROSS MARGIN)	
FIXED EXPENSES	\$81.61			
NET FARM INCOME		\$72.21	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$116.63			
NET OPERATING PROFIT		(\$44.41)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$45.37			
RETURN TO LAND AND RISK		(\$89.78)		

TABLE 12. Corn silage, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area, Projected 2005.
Planting dates: April 1 - April 15
Harvesting dates: August 1 - August 31

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
CORN FOR SILAGE	\$16.00	STANDING 25.0 TONS	\$400.00
TOTAL			\$400.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.06	32 000	\$34.00		\$34.00
NITROGEN (N)	\$0.40	200 LBS	\$80.00		\$80.00
INSECTICIDE (CUSTOM) 2X	\$44.42	1 ACRE	\$44.42		\$44.42
CROP INSURANCE		400 DOLLARS	\$20.00		\$20.00
PUMP WATER*		48 AC. IN.			
SUBTOTAL			\$178.42		\$178.42

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.27	\$2.94	\$1.73	\$2.43	\$8.37
PLOW	145 HP	0.48 HR		\$3.58	\$8.32	\$4.51	\$5.78	\$22.17
FLOAT	130 HP	0.16 HR		\$1.19	\$2.77	\$0.49	\$2.23	\$6.69
FERTILIZE	DEALER APPLIED							
LISTER	130 HP	0.18 HR		\$1.34	\$3.12	\$0.91	\$3.47	\$8.84
PRE-IRRIGATE		0.75 HR		\$4.76	\$9.89	\$0.00	\$1.09	\$15.74
CULT & SPRAY	96 HP	0.26 HR		\$1.94	\$3.17	\$1.36	\$2.65	\$9.11
PLANTER	130 HP	0.26 HR		\$1.94	\$4.50	\$1.22	\$7.36	\$15.02
CULTIVATOR (2X)	96 HP	0.42 HR		\$3.13	\$5.12	\$1.91	\$2.33	\$12.49
DITCHER (2X)	130 HP	0.10 HR		\$0.75	\$1.73	\$0.31	\$1.71	\$4.50
IRRIGATE (5X)		2.50 HR		\$15.88	\$49.44	\$0.00	\$5.45	\$70.77
SUBTOTAL		5.28 HR		\$35.76	\$91.00	\$12.44	\$34.49	\$173.69

OVERHEAD EXPENSES

DOWNTIME		0.51 HR		\$4.57				\$4.57
EMPLOYEE BENEFITS				\$6.44				\$6.44
INSURANCE			\$0.72					\$0.72
LAND TAXES							\$1.53	\$1.53
SUPERVISION AND MANAGEMENT				\$32.22				\$32.22
OTHER EXPENSES			\$0.00					\$0.00
SUBTOTAL		0.51 HR	\$0.72	\$43.22			\$1.53	\$45.46

TOTAL OPERATING EXPENSES 5.79 HR \$179.13 \$78.98 \$91.00 \$12.44 \$36.02 \$397.57

NET OPERATING PROFIT \$2.43

INTEREST ON OPERATING CAPITAL (\$115.07 @ 7.00%) \$8.05
INTEREST ON EQUIPMENT INVESTMENT \$17.87

RETURN TO LAND AND RISK (\$23.49)

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

BUDGET SUMMARY

GROSS RETURN		\$400.00	
VARIABLE OPERATING EXPENSES	\$282.57		
RETURN OVER VARIABLE EXPENSES	\$117.43	(GROSS MARGIN)	
FIXED EXPENSES	\$36.02		
NET FARM INCOME	\$81.41	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$78.98		
NET OPERATING PROFIT	\$2.43	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$25.92		
RETURN TO LAND AND RISK		(\$23.49)	

TABLE 13. Summary of per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area, Chaves County
Projected 2005.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT	OAT HAY	PICKER COTTON	STRIPPER COTTON	CORN SILAGE
		TONS	CWT	TONS	LBS	LBS	TONS
PRIMARY YIELD		6.50	40.00	5.00	750.00	750.00	25.00
PRIMARY PRICE		\$140.00	\$140.00	\$90.00	\$0.60	\$0.55	\$16.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$87.53	\$87.53	\$0.00
SECOND INCOME		\$0.00	\$44.00	\$0.00	\$78.00	\$78.00	\$0.00
GROSS RETURN		\$910.00	\$294.00	\$450.00	\$615.53	\$578.03	\$400.00
CASH OPERATING EXPENSES							
SEED	\$86.40		\$24.00	\$21.60	\$14.40	\$18.00	\$34.00
FERTILIZER		\$24.00	\$75.50	\$34.00	\$25.20	\$25.20	\$80.00
CHEMICALS	\$13.38	\$72.59	\$19.17		\$69.99	\$66.91	\$44.42
CROP INSURANCE			\$0.98		\$0.98	\$0.98	\$20.00
OTHER PURCHASED INPUTS		\$0.06					
CANAL WATER							
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$32.70	\$17.76	\$18.49	\$12.91	\$64.58	\$76.40	\$31.67
FUEL-IRRIGATION	\$19.78	\$66.74	\$34.61	\$25.96	\$34.61	\$34.61	\$59.33
REPAIRS	\$12.19	\$6.19	\$8.94	\$6.61	\$24.86	\$21.99	\$12.44
CUSTOM CHARGES			\$34.84		\$143.60	\$179.08	
LAND TAXES		\$1.53	\$1.53	\$1.53	\$1.53	\$1.53	\$1.53
OTHER EXPENSES	\$0.39	\$0.66	\$0.42	\$0.40	\$0.97	\$1.05	\$0.72
TOTAL CASH EXPENSES	\$164.83	\$189.54	\$218.48	\$103.01	\$380.72	\$425.73	\$284.10
RETURN OVER CASH EXPENSES	(\$164.83)	\$720.46	\$75.52	\$346.99	\$234.81	\$152.29	\$115.90
FIXED EXPENSES	\$31.34	\$113.66	\$19.13	\$28.77	\$169.21	\$80.08	\$34.49
TOTAL EXPENSES	\$196.17	\$303.20	\$237.61	\$131.77	\$549.92	\$505.82	\$318.59
NET FARM INCOME	(\$196.17)	\$606.80	\$56.39	\$318.23	\$65.60	\$72.21	\$81.41
LABOR AND MANAGEMENT COSTS	\$43.37	\$110.37	\$50.12	\$59.94	\$113.68	\$116.63	\$78.98
NET OPERATING PROFIT	(\$239.54)	\$496.43	\$6.27	\$258.29	(\$48.07)	(\$44.41)	\$2.43
CAPITAL COSTS							
INTEREST ON OPERATING CAPITAL		\$4.69	\$5.48	\$2.67	\$5.55	\$5.62	\$8.05
INTEREST ON EQUIPMENT INVESTMENT		\$28.82	\$10.56	\$13.78	\$13.78	\$39.75	\$17.87
TOTAL CAPITAL COSTS	\$0.00	\$33.51	\$16.03	\$16.45	\$19.33	\$45.37	\$25.92
RETURN TO LAND AND RISK	(\$239.54)	\$462.92	(\$9.77)	\$241.84	(\$67.40)	(\$89.78)	(\$23.49)

TABLE 14. Whole farm summary, Roswell-Hagerman area, Chaves County, Projected 2005.

GROSS RETURNS		
ALFALFA HAY CROP	300 ACRES	\$273,000
WHEAT CROP	51 ACRES	\$12,750
GRAZING		\$2,244
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
SMALL GRAINS CROP	87 ACRES	\$39,150
UPLAND COTTON (PICKER)	51.00 ACRES	\$22,950
COTTON LINT		\$3,978
COTTON SEED		\$0
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$4,464
UPLAND COTTON (STRIPPER)	51.00 ACRES	\$21,038
COTTON LINT		\$3,978
COTTON SEED		\$0
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$4,464
CORN CROP	60.00 ACRES	\$24,000
GROSS RETURN		<u>\$412,015</u>
CASH OPERATING EXPENSES		
SEED		\$11,980
FERTILIZER		\$21,379
CHEMICALS		
CROP INSURANCE		\$1,350
OTHER PURCHASED INPUTS		\$17
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$18,447
FUEL-IRRIGATION		\$32,323
REPAIRS		\$6,755
CUSTOM CHARGES		\$18,233
LAND TAXES		\$917
OTHER EXPENSES		\$425
TOTAL CASH EXPENSES		<u>\$111,826</u>
RETURN OVER CASH EXPENSES		\$300,189
FIXED EXPENSES		\$39,868
TOTAL EXPENSES		\$151,695
NET FARM INCOME		\$260,321
LABOR AND MANAGEMENT COSTS		\$59,969
NET OPERATING PROFIT		\$200,352
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,972
INTEREST ON EQUIPMENT INVESTMENT		\$14,185
TOTAL CAPITAL COSTS		<u>\$17,158</u>
RETURN TO LAND AND RISK		<u>\$183,194</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$163,994	23.01%
\$3,000 /ACRE	\$125,594	9.32%
\$5,000 /ACRE	\$87,194	5.84%
\$7,000 /ACRE	\$48,794	4.25%
\$9,000 /ACRE	\$10,394	3.34%

* 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)