

TABLE 1. Acreage Summary, De Baca County, Projected 2006.

BUDGET AREA..... DE BACA COUNTY			
FARM SIZE..... 100 ACRES			
IRRIGATION TYPE..... FLOOD			
NUMBER OF CROPS.. 4			
ACREAGE SUMMARY:	WATER USE		
	LAND USE (ACRES)	AC. IN. PER ACRE	TOTAL AC. IN.
ALFALFA ESTABLISHMENT *	13.00	12	156
ALFALFA	65.00	36	2,340
WHEAT	17.00	20	340
APR	0.00		
FLEX IN HYGEAR	3.00	12	36
OAT HAY	10.00	20	200
HYGEAR *	14.00	12	168
ROADS, HOMESTEAD	5.00		
TOTAL	100.00		3,240
ACRE FEET PER ACRE OF WATER RIGHTS			2.70

* DOUBLE-CROPPED

TABLE 2. Basic cost information for De Baca County, Projected 2006.

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$6.65
General & Irrigators		\$/hour	\$6.35
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.52
Phosphate (P205)		\$/pound	\$0.40
Seed:			
Alfalfa		\$/pound	\$3.20
Wheat		\$/pound	\$0.28
Oat Hay		\$/pound	\$0.32
Hygear		\$/pound	\$0.24
Baling wire		\$/pound	\$0.50
Canal water		\$/acre	\$42.50
Energy:			
Natural gas		\$/MCF	\$3.28
Diesel fuel		\$/gallon	\$2.10
Gasoline		\$/gallon	\$2.00
Electricity (Farmers Elec Coop)		cents/KwHr	8.87
Employee Liability Insurance		\$/1,000 wages	\$20.00
Employee Benefits		percent/wages	18.00%
Labor Downtime		percent	25.00%
Financial Rates:			
Operating Capital Interest Rate		percent	8.00%
Land Interest Rate		percent	8.00%
Equipment Interest Rate		percent	8.00%
Real Interest Rate		percent	3.00%
Land Taxes		\$75.00 /acre (full value)	
Personal Property Tax Rate	- NR	\$/1,000 (Assessed Value)	\$27.61
	- R		\$27.61
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 De Baca County, Projected 2006.

Item			
Electricity (Domestic & Shop)		\$53.00 per month	\$636
Telephone		\$42.40 per month	\$509
Accounting & Legal			\$164
Misc. Supplies & Hand Tools			\$382
Pickup and Auto			
miles	6,360	@ \$0.415 per mile	\$2,639
Insurance			
- general liability (non-employee)			\$164
- fire/theft			\$138
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$0
Building repairs and maintenance			\$204
Dues, fees, publications			\$100
Farmstead Equipment			\$175
Total			\$5,110
Total Per Planted Acre			\$53.79

Table 4. Equipment summary for a 100 acre food-irrigated farm with above average management, De Baca County
 Proposed 2008

EQUIPMENT	ITEM & SIZE	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	85 HP	260	1	\$5,144	\$2,614	\$348	\$9.72	\$1.29	\$59	\$9	\$2.37
FLOAT	10 FT (OLD)	3	1	\$450	\$0	\$0	\$0.00	\$0.01	\$47	\$1	\$15.59
SWATHER	14 FT (OLD)	40	1	\$2,500	\$0	\$16	\$0.00	\$0.28	\$70	\$4	\$17.87
BALER PTO	2 WIRE	74	1	\$3,300	\$16	\$16	\$0.22	\$0.22	\$60	\$1	\$8.13
FLOW	2 1/2 WIRE	40	1	\$2,500	\$12	\$12	\$0.31	\$0.31	\$51	\$2	\$9.60
DISC	12 FT	17	1	\$2,200	\$47	\$47	\$2.79	\$2.79	\$300	\$21	\$18.86
DRILL	10 FT	14	1	\$1,400	\$12	\$12	\$0.86	\$0.86	\$260	\$17	\$26.43
LAND PLANE	12 FT	23	1	\$2,200	\$0	\$0	\$0.10	\$0.10	\$33	\$2	\$15.47
BALEWAGON	PTO	72	1	\$750	\$0	\$0	\$0.00	\$0.00	\$100	\$7	\$15.46
BORDER DISC	6 DISC	2	1	\$1,200	\$0	\$0	\$0.00	\$0.00	\$100	\$7	\$15.46
FERT SPREADER		5	1	\$2,300	\$0	\$0	\$0.00	\$0.00	\$307	\$21	\$26.15
				\$22,244	\$2,676	\$508			\$4,080	\$322	

EQUIPMENT LIST

ITEM	NEW VALUE	USED VALUE	YEARS LIFE	EQUIP CODE	MAX HOURS	FUEL UNTHR	LUBE COEF	ACCOM HOURS	INTEREST EXPENSE
TRACTOR	85 HP	21,966	8.144	40	1	800	4.42	6468.73	24
FLOAT	10 FT	700	450	15	4	300		46.80	15
SWATHER	14 FT (OLD)	14,000	2,500	20	2	800		732.74	13
BALER PTO	2 WIRE	11,000	3,900	20	2	500		813.12	11
FLOW	2 1/2 WIRE	900	250	15	3	300		185.20	16
DISC	12 FT	4,800	2,250	15	3	300		272.00	16
DRILL	10 FT	3,600	1,800	10	8	100		185.20	13
LAND PLANE	12 FT	5,000	2,500	15	4	300		388.64	16
BALEWAGON	PTO	16,000	1,500	20	5	300		42.00	16
BORDER DISC	6 DISC	3,600	750	15	3	300		22.00	16
FERT SPREADER		4,600	2,300	15	9	100		81.75	15

USAGE LIST

ALFAFA EST	ALFAFA HAY	WHEAT FOR GRAIN	OAT HAY	HYGEAR	PER ACRE TOTALS
Hours per acre					
3.06	0.16	1.81	2.22	2.34	11.53
0.24	0.00	0.00	0.00	0.00	0.24
0.00	0.00	0.16	0.16	0.16	0.52
0.00	1.05	0.21	0.21	0.21	1.47
1.05	0.00	1.05	1.05	1.05	4.20
0.51	0.00	0.17	0.17	0.34	1.19
0.25	0.00	0.25	0.25	0.25	1.00
0.36	0.00	0.24	0.24	0.24	1.58
0.00	0.00	0.20	0.20	0.20	1.40
0.00	0.00	0.00	0.00	0.00	0.15
0.00	0.05	0.05	0.05	0.05	0.20

INTEREST PRORATION

ALFAFA WHEAT FOR GRAIN	OAT HAY	HYGEAR
6.73	5.80	7.12
0.00	0.00	0.00
7.85	0.00	1.59
6.25	0.00	1.25
0.00	0.35	0.35
0.00	1.80	3.60
0.00	2.53	2.53
0.00	2.28	2.28
0.00	1.80	1.80
0.00	1.20	0.60
1.80	1.80	1.69
31.72	15.75	21.73

ALFAFA ESTABLISHMENT

MACHINE	POWER UNIT	TIMES OVER	RATE	TOTAL	CUSTOM
DISC	65 HP	1.00	0.17	0.17	
FLOW	65 HP	1.00	1.05	1.05	
DISC	65 HP	1.00	0.17	0.17	
LAND PLANE (4X)	65 HP	4.00	0.24	0.96	
DISC	65 HP	1.00	0.17	0.17	
BORDER DISC	65 HP	1.00	0.05	0.05	
FLOAT	65 HP	1.00	0.24	0.24	
DRILL	65 HP	1.00	0.25	0.25	
IRRIGATE (4X)	65 HP	4.00	0.50	2.00	

ALFAFA HAY

MACHINE	POWER UNIT	TIMES OVER	RATE	TOTAL	CUSTOM
FERT SPREADER	65 HP	1.00	0.05	0.05	
IRRIGATE (5X)	65 HP	5.00	0.50	2.50	
SWATHER (5X)	14 FT	5.00	0.16	0.80	
BALER (5X)	65 HP	5.00	0.21	1.05	
BALEWAGON PTO (5X)	65 HP	5.00	0.20	1.00	

WHEAT FOR GRAIN

MACHINE	POWER UNIT	TIMES OVER	RATE	TOTAL	CUSTOM
FLOW	65 HP	1.00	1.05	1.05	
DISC	65 HP	1.00	0.17	0.17	
FERT SPREADER	65 HP	1.00	0.05	0.05	
LAND PLANE	65 HP	1.00	0.24	0.24	
BORDER DISC	65 HP	1.00	0.05	0.05	
DRILL	65 HP	1.00	0.25	0.25	
IRRIGATE (5X)	65 HP	5.00	0.50	2.50	

COMBINE (CUSTOM PER ACRE)

EXTRA CHARGE PER BUSHEL OVER	30.00	12.80
HAUL (CUSTOM) PER BUSHEL		0.19

OAT HAY

MACHINE	POWER UNIT	TIMES OVER	RATE	TOTAL	CUSTOM
FLOW	65 HP	1.00	1.05	1.05	
DISC	65 HP	1.00	0.17	0.17	
FERT SPREADER	65 HP	1.00	0.05	0.05	
LAND PLANE	65 HP	1.00	0.24	0.24	
BORDER DISC	65 HP	1.00	0.05	0.05	
DRILL	65 HP	1.00	0.25	0.25	
IRRIGATE (5X)	65 HP	5.00	0.50	2.50	
SWATHER	14 FT	1.00	0.16	0.16	
BALER	65 HP	1.00	0.21	0.21	
BALEWAGON	65 HP	1.00	0.20	0.20	

HYGEAR

MACHINE	POWER UNIT	TIMES OVER	RATE	TOTAL	CUSTOM
FLOW	65 HP	1.00	1.05	1.05	
DISC (2X)	65 HP	2.00	0.17	0.34	
FERT SPREADER	65 HP	1.00	0.05	0.05	
LAND PLANE	65 HP	1.00	0.24	0.24	
DRILL	65 HP	1.00	0.25	0.25	
IRRIGATE (4X)	65 HP	4.00	0.50	2.00	
SWATHER	14 FT	1.00	0.16	0.16	
BALER	65 HP	1.00	0.21	0.21	
BALEWAGON	65 HP	1.00	0.20	0.20	

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE

Years of Use	1	2	3	4	5	6	7	8	9
0	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
50	0.000040	0.000020	0.000020	0.000020	0.000040	0.000040	0.000040	0.000040	0.000030
100	0.000080	0.000040	0.000040	0.000040	0.000080	0.000080	0.000080	0.000080	0.000060
200	0.000160	0.000080	0.000080	0.000080	0.000160	0.000160	0.000160	0.000160	0.000120
300	0.000240	0.000120	0.000120	0.000120	0.000240	0.000240	0.000240	0.000240	0.000180
400	0.000320	0.000160	0.000160	0.000160	0.000320	0.000320	0.000320	0.000320	0.000240
500	0.000400	0.000200	0.000200	0.000200	0.000400	0.000400	0.000400	0.000400	0.000300
600	0.000480	0.000240	0.000240	0.000240	0.000480	0.000480	0.000480	0.000480	0.000360
700	0.000560	0.000280	0.000280	0.000280	0.000560	0.000560	0.000560	0.000560	0.000420
800	0.000640	0.000320	0.000320	0.000320	0.000640	0.000640	0.000640	0.000640	0.000480
900	0.000720	0.000360	0.000360	0.000360	0.000720	0.000720	0.000720	0.000720	0.000540
1000	0.000800	0.000400	0.000400	0.000400	0.000800	0.000800	0.000800	0.000800	0.000600
1200	0.000960	0.000480	0.000480	0.000480	0.000960	0.000960	0.000960	0.000960	0.000720
1400	0.001120	0.000560	0.000560	0.000560	0.001120	0.001120	0.001120	0.001120	0.000840
1600	0.001280	0.000640	0.000640	0.000640	0.001280	0.001280	0.001280	0.001280	0.000960
1800	0.001440	0.000720	0.000720	0.000720	0.001440	0.001440	0.001440	0.001440	0.001080
2000	0.001600	0.000800	0.000800	0.000800	0.001600	0.001600	0.001600	0.001600	0.001200
2200	0.001760	0.000880	0.000880	0.000880	0.001760	0.001760	0.001760	0.001760	0.001320
2400	0.001920	0.000960	0.000960	0.000960	0.001920	0.001920	0.001920	0.001920	0.001440
2600	0.002080	0.001040	0.001040	0.001040	0.002080	0.002080	0.002080	0.002080	0.001560
2800	0.002240	0.001120	0.001120	0.001120	0.002240	0.002240	0.002240	0.002240	0.001680
3000	0.002400	0.001200	0.001200	0.001200	0.002400	0.002400	0.002400	0.002400	0.001800
3200	0.002560	0.001280	0.001280	0.001280	0.002560	0.002560	0.002560	0.002560	0.001920
3400	0.002720	0.001360	0.001360	0.001360	0.002720	0.002720	0.002720	0.002720	0.002040
3600	0.002880	0.001440	0.001440	0.001440	0.002880	0.002880	0.002880	0.002880	0.002160
3800	0.003040	0.001520	0.001520	0.001520	0.003040	0.003040	0.003040	0.003040	0.002280
4000	0.003200	0.001600	0.001600	0.001600	0.003200	0.003200	0.003200	0.003200	0.002400
4200	0.003360	0.001680	0.001680	0.001680	0.003360	0.003360	0.003360	0.003360	0.002520
4400	0.003520	0.001760	0.001760	0.001760	0.003520	0.003520	0.003520	0.003520	0.002640
4600	0.003680	0.001840	0.001840	0.001840	0.003680	0.003680	0.003680	0.003680	0.002760
4800	0.003840	0.001920	0.001920	0.001920	0.003840	0.003840	0.003840	0.003840	0.002880
5000	0.004000	0.002000	0.002000	0.002000	0.004000	0.00400			

TABLE 5. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, De Baca County, Projected 2006.

Planting Dates: August 25 - September 30

ITEM	PRICE	QUANTITY	PURCHASED INPUTS				TOTAL	
PURCHASED INPUTS								
SEED	\$3.20	25 LBS					\$80.00	
CANAL WATER		12 AC. IN.					\$80.00	
SUBTOTAL							\$80.00	
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	65 HP	0.17 HR		\$1.13	\$1.65	\$0.69	\$3.61	\$7.09
PLOW	65 HP	1.05 HR		\$6.98	\$10.21	\$1.68	\$3.12	\$21.99
DISC	65 HP	0.17 HR		\$1.13	\$1.65	\$0.69	\$3.61	\$7.09
LAND PLANE (4X)	65 HP	0.96 HR		\$6.38	\$9.34	\$1.34	\$17.13	\$34.18
DISC	65 HP	0.17 HR		\$1.13	\$1.65	\$0.69	\$3.61	\$7.09
BORDER DISC	65 HP	0.05 HR		\$0.33	\$0.49	\$0.11	\$2.79	\$3.72
FLOAT	65 HP	0.24 HR		\$1.60	\$2.33	\$0.31	\$4.41	\$8.65
DRILL	65 HP	0.25 HR		\$1.66	\$2.43	\$0.54	\$7.20	\$11.83
IRRIGATE (4X)		2.00 HR		\$12.70				\$12.70
SUBTOTAL		5.06 HR		\$33.05	\$29.76	\$6.07	\$45.47	\$114.34
OVERHEAD EXPENSES								
DOWNTIME		0.77 HR		\$5.09				\$5.09
EMPLOYEE BENEFITS				\$5.95				\$5.95
INSURANCE			\$0.66					\$0.66
SUPERVISION AND MANAGEMENT				\$17.13				\$17.13
SUBTOTAL		0.77 HR	\$0.66	\$28.17				\$28.83
TOTAL OPERATING EXPENSES		5.83 HR	\$80.66	\$61.22	\$29.76	\$6.07	\$45.47	\$223.18

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, De Baca County, Projected 2006.
Harvesting Dates: May 20 - October 30

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
HAY	\$130.00	5.00 TONS (STACKED)						\$650.00
GRAZING	\$12.50	1.00 ACRE						\$12.50
TOTAL							\$662.50	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
PHOSPHATE (P205)	\$0.40	130 LBS	\$52.00					\$52.00
WIRE	\$0.50	43 LBS	\$21.50					\$21.50
ESTABLISHMENT: Principal		5 YEARS					\$44.64	\$44.64
: Interest							\$8.97	\$8.97
INSECTICIDE (CUSTOM)	\$16.09	2 X/ACRE	\$32.18					\$32.18
CANAL WATER		36 AC. IN.	\$42.50					\$42.50
SUBTOTAL			\$148.18				\$53.60	\$201.78
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERT SPREADER	65 HP	0.05 HR		\$0.33	\$0.49	\$0.11	\$3.13	\$4.06
IRRIGATE (8X)		4.00 HR		\$25.40				\$25.40
SUBTOTAL		4.05 HR		\$25.73	\$0.49	\$0.11	\$3.13	\$29.46
HARVEST OPERATIONS								
SWATHER (5X)	14 FT	0.80 HR		\$5.32	\$0.00	\$0.22	\$10.86	\$16.40
BALER (5X)	65 HP	1.05 HR		\$6.98	\$10.21	\$1.59	\$11.02	\$29.81
BALEWAGON PTO (5X)	65 HP	1.00 HR		\$6.65	\$9.72	\$2.57	\$14.78	\$33.73
SUBTOTAL		2.85 HR		\$18.95	\$19.93	\$4.39	\$36.66	\$79.94
OVERHEAD EXPENSES								
DOWNTIME		0.73 HR		\$4.82				\$4.82
EMPLOYEE BENEFITS				\$8.04				\$8.04
INSURANCE			\$0.89					\$0.89
LAND TAXES							\$0.00	\$0.00
SUPERVISION AND MANAGEMENT				\$51.83				\$51.83
OTHER EXPENSES			\$53.79					\$53.79
SUBTOTAL		0.73 HR	\$54.69	\$64.69			\$0.00	\$119.38
TOTAL OPERATING EXPENSES		7.63 HR	\$202.87	\$109.37	\$20.42	\$4.50	\$93.39	\$430.55
NET OPERATING PROFIT								
								\$231.95
INTEREST ON OPERATING CAPITAL		(\$76.27 @	8.00%)				\$6.10
INTEREST ON EQUIPMENT INVESTMENT								\$31.72
RETURN TO LAND AND RISK							\$194.13	
BUDGET SUMMARY								
GROSS RETURN		\$662.50						
VARIABLE OPERATING EXPENSES	\$227.78							
RETURN OVER VARIABLE EXPENSES		\$434.72	(GROSS MARGIN)					
FIXED EXPENSES	\$93.39							
NET FARM INCOME		\$341.32	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$109.37							
NET OPERATING PROFIT		\$231.95	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$37.82							
RETURN TO LAND AND RISK		\$194.13						

TABLE 7. Wheat for grain, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, De Baca County, Projected 2006.
 Planting Dates: September 1 - October 15
 Harvesting Dates: June 20 - July 1

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT FOR GRAIN	\$3.75	65.00 BUSHELS		\$243.75
ASCS DEFICIENCY	\$0.52	65.00 BUSHELS	0.85	\$28.73
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$25.00	1.00 ACRE		\$25.00
TOTAL				\$297.48

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.28	80 LBS	\$22.40		\$22.40
NITROGEN (N)	\$0.52	60 LBS	\$31.20		\$31.20
CANAL WATER		20 AC. IN.	\$42.50		\$42.50
CROP INSURANCE	\$2.94		\$2.94		\$2.94
SUBTOTAL			\$99.04		\$99.04

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	65 HP	1.05 HR		\$6.98	\$10.21	\$1.68	\$3.12	\$21.99
DISC	65 HP	0.17 HR		\$1.13	\$1.65	\$0.69	\$3.61	\$7.09
FERT SPREADER	65 HP	0.05 HR		\$0.33	\$0.49	\$0.11	\$3.13	\$4.06
LAND PLANE	65 HP	0.24 HR		\$1.60	\$2.33	\$0.33	\$4.28	\$8.55
BORDER DISC	65 HP	0.05 HR		\$0.33	\$0.49	\$0.11	\$2.79	\$3.72
DRILL	65 HP	0.25 HR		\$1.66	\$2.43	\$0.54	\$7.20	\$11.83
IRRIGATE (5X)		2.50 HR		\$15.88				\$15.88
SUBTOTAL		4.31 HR	\$0.00	\$27.91	\$17.60	\$3.47	\$24.13	\$73.11

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$19.45					\$19.45
HAUL (CUSTOM)			\$11.05					\$11.05
SUBTOTAL			\$30.50					\$30.50

OVERHEAD EXPENSES								
DOWNTIME		0.45 HR		\$3.01				\$3.01
EMPLOYEE BENEFITS				\$5.02				\$5.02
INSURANCE			\$0.56					\$0.56
LAND TAXES						\$0.00		\$0.00
SUPERVISION AND MANAGEMENT				\$24.23				\$24.23
OTHER EXPENSES			\$53.79					\$53.79
SUBTOTAL		0.45 HR	\$54.35	\$32.26		\$0.00		\$86.61

TOTAL OPERATING EXPENSES		4.76 HR	\$183.89	\$60.17	\$17.60	\$3.47	\$24.13	\$289.27
NET OPERATING PROFIT								\$8.21
INTEREST ON OPERATING CAPITAL		(\$57.33	@	8.00%)		\$4.59
INTEREST ON EQUIPMENT INVESTMENT								\$15.75
RETURN TO LAND AND RISK								(\$12.12)

BUDGET SUMMARY			
GROSS RETURN		\$297.48	
VARIABLE OPERATING EXPENSES	\$204.97		
RETURN OVER VARIABLE EXPENSES		\$92.51	(GROSS MARGIN)
FIXED EXPENSES	\$24.13		
NET FARM INCOME		\$68.39	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$60.17		
NET OPERATING PROFIT		\$8.21	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$20.34		
RETURN TO LAND AND RISK		(\$12.12)	

TABLE 8. Oat hay, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, De Baca County, Projected 2006.
 Planting dates: March 1 - March 15
 Harvesting Dates: July 1 - July 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
OAT HAY	\$90.00	2.50 TONS (STACKED)	\$225.00
TOTAL			\$225.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.32	100 LBS	\$32.00		\$32.00
NITROGEN (N)	\$0.52	40 LBS	\$20.80		\$20.80
WIRE	\$0.50	21 LBS	\$10.71		\$10.71
CANAL WATER		20 AC. IN.	\$42.50		\$42.50
SUBTOTAL			\$106.01		\$106.01

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	65 HP	1.05 HR		\$6.98	\$10.21	\$1.68	\$3.12	\$21.99
DISC	65 HP	0.17 HR		\$1.13	\$1.65	\$0.69	\$3.61	\$7.09
FERT SPREADER	65 HP	0.05 HR		\$0.33	\$0.49	\$0.11	\$3.13	\$4.06
LAND PLANE	65 HP	0.24 HR		\$1.60	\$2.33	\$0.33	\$4.28	\$8.55
BORDER DISC	65 HP	0.05 HR		\$0.33	\$0.49	\$0.11	\$2.79	\$3.72
DRILL	65 HP	0.25 HR		\$1.66	\$2.43	\$0.54	\$7.20	\$11.83
IRRIGATE (5X)		2.50 HR		\$15.88				\$15.88
SUBTOTAL		4.31 HR		\$27.91	\$17.60	\$3.47	\$24.13	\$73.11

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER	14 FT	0.16 HR		\$1.06	\$0.00	\$0.04	\$2.17	\$3.28
BALER	65 HP	0.21 HR		\$1.40	\$2.04	\$0.32	\$2.20	\$5.96
BALEWAGON	65 HP	0.20 HR		\$1.33	\$1.94	\$0.51	\$2.96	\$6.75
SUBTOTAL		0.57 HR		\$3.79	\$3.99	\$0.88	\$7.33	\$15.99

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.60 HR		\$3.96				\$3.96
EMPLOYEE BENEFITS			\$5.71				\$5.71
INSURANCE		\$0.63					\$0.63
LAND TAXES						\$0.00	\$0.00
SUPERVISION AND MANAGEMENT			\$19.73				\$19.73
OTHER EXPENSES		\$26.90					\$26.90
SUBTOTAL	0.60 HR	\$27.53	\$29.39			\$0.00	\$56.92

TOTAL OPERATING EXPENSES	5.48 HR	\$133.54	\$61.09	\$21.59	\$4.35	\$31.46	\$252.03
NET OPERATING PROFIT							(\$27.03)
INTEREST ON OPERATING CAPITAL	(\$58.68 @ 8.00%)						\$4.69
INTEREST ON EQUIPMENT INVESTMENT							\$21.73
RETURN TO LAND AND RISK							(\$53.45)

BUDGET SUMMARY			
GROSS RETURN		\$225.00	
VARIABLE OPERATING EXPENSES	\$159.48		
RETURN OVER VARIABLE EXPENSES	\$65.52		(GROSS MARGIN)
FIXED EXPENSES	\$31.46		
NET FARM INCOME	\$34.06		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$61.09		
NET OPERATING PROFIT	(\$27.03)		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$26.42		
RETURN TO LAND AND RISK			(\$53.45)

TABLE 9. Hygear, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, De Baca County, Projected 2006.
 Planting Dates: July 5 - July 20
 Harvesting Dates: September 15 - October 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
HYGEAR	\$101.00	4.50 TONS (STACKED)						\$454.50
TOTAL							\$454.50	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS			FIXED COST	TOTAL	
SEED	\$0.24	70 LBS	\$16.80				\$16.80	
NITROGEN (N)	\$0.52	40 LBS	\$20.80				\$20.80	
CANAL WATER		12 AC. IN.	\$21.25				\$21.25	
SUBTOTAL			\$58.85				\$58.85	
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	65 HP	1.05 HR		\$6.98	\$10.21	\$1.68	\$3.12	\$21.99
DISC (2X)	65 HP	0.34 HR		\$2.26	\$3.31	\$1.39	\$7.22	\$14.18
FERT SPREADER	65 HP	0.05 HR		\$0.33	\$0.49	\$0.11	\$3.13	\$4.06
LAND PLANE	65 HP	0.24 HR		\$1.52	\$2.33	\$0.33	\$4.28	\$8.47
DRILL	65 HP	0.25 HR		\$1.66	\$2.43	\$0.54	\$7.20	\$11.83
IRRIGATE (4X)		2.00 HR		\$12.70				\$12.70
SUBTOTAL		3.93 HR		\$25.46	\$18.77	\$4.06	\$24.94	\$73.23
HARVEST OPERATIONS								
SWATHER	14 FT	0.16 HR		\$1.02	\$0.00	\$0.04	\$2.17	\$3.23
BALER	65 HP	0.21 HR		\$1.33	\$2.04	\$0.32	\$2.20	\$5.90
BALE WAGON	65 HP	0.20 HR		\$1.27	\$1.94	\$0.51	\$2.96	\$6.69
SUBTOTAL		0.57 HR	\$0.00	\$3.62	\$3.99	\$0.88	\$7.33	\$15.82
OVERHEAD EXPENSES								
DOWNTIME		1.05 HR		\$7.00				\$7.00
EMPLOYEE BENEFITS				\$5.23				\$5.23
INSURANCE			\$0.58					\$0.58
LAND TAXES						\$0.00		\$0.00
SUPERVISION AND MANAGEMENT				\$35.07				\$35.07
OTHER EXPENSES			\$26.90					\$26.90
SUBTOTAL		1.05 HR	\$27.48	\$47.30			\$0.00	\$74.78
TOTAL OPERATING EXPENSES		5.55 HR	\$86.33	\$76.38	\$22.75	\$4.93	\$32.28	\$222.68
NET OPERATING PROFIT							\$231.82	
INTEREST ON OPERATING CAPITAL		(\$35.54	@	8.00%)		\$2.84
INTEREST ON EQUIPMENT INVESTMENT								\$22.41
RETURN TO LAND AND RISK							\$206.57	
BUDGET SUMMARY								
GROSS RETURN		\$454.50						
VARIABLE OPERATING EXPENSES	\$114.02							
RETURN OVER VARIABLE EXPENSES	\$340.48	(GROSS MARGIN)						
FIXED EXPENSES	\$32.28							
NET FARM INCOME	\$308.21	(RETURN TO CAPITAL, LABOR, LAND & RISK)						
LABOR AND MANAGEMENT COST	\$76.38							
NET OPERATING PROFIT	\$231.82	(RETURN TO CAPITAL, LAND & RISK)						
CAPITAL COSTS	\$25.25							
RETURN TO LAND AND RISK		\$206.57						

TABLE 10. Summary of per acre costs and returns for a 100 acre farm with above average management, De Baca County,
Projected 2006.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT FOR GRAIN	OAT HAY	HYGEAR
		TONS	BU	TONS	TONS
PRIMARY YIELD		5.00	65.00	2.50	4.50
PRIMARY PRICE		\$130.00	\$3.75	\$90.00	\$101.00
GOVERNMENT PAYMENTS		\$0.00	\$28.73	\$0.00	\$0.00
SECOND INCOME		\$12.50	\$25.00	\$0.00	\$0.00
GROSS RETURN		\$662.50	\$297.48	\$225.00	\$454.50
CASH OPERATING EXPENSES					
SEED	\$80.00		\$22.40	\$32.00	\$16.80
FERTILIZER		\$52.00	\$31.20	\$20.80	\$20.80
CHEMICALS		\$32.18			
CROP INSURANCE			\$2.94		
OTHER PURCHASED INPUTS		\$21.50		\$10.71	
CANAL WATER		\$42.50	\$42.50	\$42.50	\$21.25
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$29.76	\$20.42	\$17.60	\$21.59	\$22.75
FUEL-IRRIGATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
REPAIRS	\$6.07	\$4.50	\$3.47	\$4.35	\$4.93
CUSTOM CHARGES			\$30.50		
LAND TAXES		\$0.00	\$0.00	\$0.00	\$0.00
OTHER EXPENSES	\$0.66	\$54.69	\$54.35	\$27.53	\$27.48
TOTAL CASH EXPENSES	\$116.49	\$227.78	\$204.97	\$159.48	\$114.02
RETURN OVER CASH EXPENSES	(\$116.49)	\$434.72	\$92.51	\$65.52	\$340.48
FIXED EXPENSES	\$45.47	\$93.39	\$24.13	\$31.46	\$32.28
TOTAL EXPENSES	\$161.96	\$321.18	\$229.09	\$190.94	\$146.29
NET FARM INCOME	(\$161.96)	\$341.32	\$68.39	\$34.06	\$308.21
LABOR AND MANAGEMENT COSTS	\$61.22	\$109.37	\$60.17	\$61.09	\$76.38
NET OPERATING PROFIT	(\$223.18)	\$231.95	\$8.21	(\$27.03)	\$231.82
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL		\$6.10	\$4.59	\$4.69	\$2.84
INTEREST ON EQUIPMENT INVESTMENT		\$31.72	\$15.75	\$21.73	\$22.41
TOTAL CAPITAL COSTS	\$0.00	\$37.82	\$20.34	\$26.42	\$25.25
RETURN TO LAND AND RISK	(\$223.18)	\$194.13	(\$12.12)	(\$53.45)	\$206.57

TABLE 11. Whole farm summary, De Baca County,
Projected 2006.

GROSS RETURNS		
ALFALFA HAY	65 ACRES	
CROP		\$42,250
GRAZING		\$813
WHEAT FOR GRAIN	17 ACRES	
CROP		\$4,144
GRAZING		\$425
ASCS DEFICIENCY		\$488
COUNTER CYCLICAL PAYMENT		\$0
OAT HAY	10 ACRES	
CROP		\$2,250
HYGEAR	17 ACRES	
CROP		\$7,727
GROSS RETURN		<u>\$58,096</u>
CASH OPERATING EXPENSES		
SEED		\$2,026
FERTILIZER		\$4,472
CHEMICALS		\$2,092
CROP INSURANCE		\$50
OTHER PURCHASED INPUTS		\$1,505
CANAL WATER		\$4,271
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$2,616
FUEL-IRRIGATION		\$0
REPAIRS		\$558
CUSTOM CHARGES		\$519
LAND TAXES		\$0
OTHER EXPENSES		\$5,230
TOTAL CASH EXPENSES		<u>\$23,338</u>
RETURN OVER CASH EXPENSES		\$34,758
FIXED EXPENSES		\$5,034
TOTAL EXPENSES		<u>\$28,372</u>
NET FARM INCOME		\$29,725
LABOR AND MANAGEMENT COSTS		\$10,838
NET OPERATING PROFIT		\$18,887
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$570
INTEREST ON EQUIPMENT INVESTMENT		\$2,928
TOTAL CAPITAL COSTS		<u>\$3,497</u>
RETURN TO LAND AND RISK		<u>\$15,390</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$12,390	15.36%
\$2,000 /ACRE	\$9,390	8.47%
\$3,000 /ACRE	\$6,390	5.85%
\$4,000 /ACRE	\$3,390	4.47%
\$5,000 /ACRE	\$390	3.61%

* 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)