

TABLE 1. Acreage Summary, Roosevelt County, Projected 2004.

BUDGET AREA..... PORTALES VALLEY, ROOSEVELT COUNTY			
FARM SIZE..... 320 ACRES			
IRRIGATION TYPE..... FLOOD			
NUMBER OF CROPS... 5			
WATER USE			
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
WHEAT	68.00	25	1,700
ARP	0.00		
FLEX IN COTTON	12.00	15	180
CORN	51.00	38	1,938
ARP	0.00		
FLEX IN COTTON	9.00	15	135
GRAIN SORGHUM	51.00	20	1,020
ARP	0.00		
FLEX IN COTTON	9.00	15	135
COTTON	34.00	15	510
ARP	0.00		
FLEX IN COTTON	6.00	15	90
PEANUTS	60.00	24	1,440
ROADS, HOMESTEAD	20.00		
<b>TOTAL</b>	<b>320.00</b>		<b>7,148</b>
<b>ACRE FEET PER ACRE OF WATER RIGHTS</b>			<b>1.86</b>

TABLE 2. Basic cost information for the Portales Valley, Roosevelt County, Projected 2004.

Item			
<b>Labor Wage Rate:</b>			
Equipment operators		\$/hour	\$7.55
General & Irrigators		\$/hour	\$6.75
<b>Purchased Inputs:</b>			
<b>Fertilizer:</b>			
Nitrogen (N)		\$/pound	\$0.29
Phosphate (P205)		\$/pound	\$0.20
<b>Seed:</b>			
Wheat		\$/pound	\$0.18
Corn		\$/bag	\$85.00
Grain Sorghum		\$/pound	\$1.30
Cotton		\$/pound	\$0.68
Peanuts		\$/pound	\$0.85
<b>Energy:</b>			
Natural gas (Gas NM)		\$/MCF	\$7.22
Diesel fuel		\$/gallon	\$1.50
Gasoline		\$/gallon	\$1.45
Electricity (SWPS)		cents/KwHr	6.32
LP Gas		\$/gallon	\$1.21
Employee Liability Insurance		\$/1,000 wages	\$20.00
Employee Benefits		percent/wages	18.00%
Labor Downtime		percent	25.00%
<b>Financial Rates:</b>			
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		\$89.00 /acre (full value)	\$0.53
Personal Property Tax Rate	- NR	\$/1,000 (Assessed Value)	\$18.03
	- R		\$13.80
<b>Supervision Factors</b>			
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 the Portales Valley, Roosevelt County, Projected 2004.

Item			
Electricity (Domestic & Shop)		\$220.00 per month	\$2,640
Telephone		\$120.00 per month	\$1,440
Accounting & Legal			\$1,650
Misc. Supplies & Hand Tools			\$2,480
Pickup and Auto			
miles	20,600	@ \$0.365 per mile	\$7,519
<b>Insurance</b>			
- general liability (non-employee)			\$1,775
- fire/theft			\$1,410
<b>Property Taxes</b>			
- non-planted land			\$9
- other than land & machinery			\$630
Building repairs and maintenance			\$1,350
Dues, fees, publications			\$100
Farmstead Equipment			\$170
<b>Total</b>			<b>\$21,173</b>
<b>Total Per Planted Acre</b>			<b>\$70.58</b>

TABLE 4. Pumping costs and data for irrigation wells, Portales Valley, Roosevelt County, Projected 2004.

INPUT DATA		DEPTH CHARACTERISTICS:	
		STATIC.....	80
		DRAW DOWN.....	20
		TOTAL HEAD.....	100
		CASING.....	120
GALLONS PER MINUTE (GPM)	400		
WORK HORSEPOWER	10		
EFFICIENCY FACTOR:			
ELECTRICITY	0.430		
NATURAL GAS	0.126		
LP GAS	0.126		
DIESEL	0.130		
FUEL COST PER HOUR:			
ELECTRICITY	6.32	CENTS/Kwhr	
NATURAL GAS	\$7.22	\$/MCF	
LP GAS	\$1.21	\$/GAL	
DIESEL	\$1.50	\$/GAL	
PUMPING COSTS			
ELECTRIC WELL:			
COST PER HOUR		\$1.14	
COST PER ACRE INCH		\$1.29	
NATURAL GAS WELL:			
COST PER HOUR		\$1.64	
COST PER ACRE INCH		\$1.86	
LP GAS WELL:			
COST PER HOUR		\$2.72	
COST PER ACRE INCH		\$3.07	
DIESEL WELL:			
COST PER HOUR		\$2.12	
COST PER ACRE INCH		\$2.40	

TABLE 5. Equipment summary for a 320 acre, flood-irrigated farm with above average management, Portales Valley, Projected 2004.

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	126 HP	346	1	\$31,240	\$3,545	\$2,272	\$10.26	\$6.58	\$2,740	\$206	\$8.52
TRACTOR	175 HP	407	1	\$26,125	\$6,340	\$3,763	\$15.57	\$9.24	\$5,600	\$252	\$14.37
COTTON STRIPPER I	2 ROW	43	1	\$2,950		\$140		\$3.22	\$767	\$35	\$18.46
PLANTER	6 ROW	39	1	\$3,011		\$268		\$6.80	\$850	\$26	\$22.20
CULTIVATOR	6 ROW	60	1	\$2,500		\$93		\$1.55	\$333	\$15	\$5.78
DISC	14 FT	114	1	\$3,000		\$195		\$1.71	\$400	\$18	\$3.67
DRILL	13 FT	12	1	\$2,150		\$20		\$1.63	\$430	\$13	\$36.19
LISTER	6 ROW	35	1	\$2,150		\$54		\$1.55	\$287	\$13	\$8.55
PLOW (MOLDBOARD	4-14 IN	144	1	\$4,000		\$323		\$2.24	\$533	\$24	\$3.87
SHREDDER	4 ROW	10	1	\$2,500		\$7		\$0.70	\$333	\$15	\$35.55
SPRAYER (MTD)		39	1	\$1,400		\$95		\$2.41	\$187	\$8	\$4.95
DIG AND INVERT	2 ROW	14	1	\$625		\$1		\$0.05	\$83	\$4	\$6.05
ROD WEEDER	6 ROW	24	1	\$625		\$11		\$0.46	\$83	\$4	\$3.63
FERT SPREADER	DEALER FURNISHE	15	1								
PEANUT THRASHER		48	1	\$14,250		\$150		\$3.14	\$1,900	\$86	\$41.37
PEANUT TRAILER		48	5	\$3,500		\$1		\$0.03	\$467	\$21	\$10.16
COTTON TRAILER		53	2	\$2,400		\$11		\$0.22	\$320	\$14	\$6.37
ELECTRIC WELL		8,087	8	\$67,200	\$9,205	\$1,617	\$1.14	\$0.20	\$6,400	\$404	\$0.84
				\$169,626	\$19,090	\$9,023			\$21,713	\$1,157	

TABLE 6. Wheat, flood-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County  
 Projected 2004.  
 Planting Dates: August 20 - September 15  
 Harvest Dates: June 1 - June 25

ITEM	PRICE	YIELD	BASE					TOTAL
<b>GROSS RETURNS</b>								
WHEAT	\$3.75	36.00 BUSHELS						\$135.00
DIRECT PAYMENT	\$0.52	36.00 BUSHELS	0.85					\$15.91
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00
GRAZING	\$40.00	1.00 ACRE						\$40.00
TOTAL								\$190.91
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.18	60 LBS	\$10.80					\$10.80
NITROGEN (N)	\$0.29	100 LBS	\$29.00					\$29.00
PHOSPHATE (P205)	\$0.20	40 LBS	\$8.00					\$8.00
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01					\$20.01
PUMP WATER*		25 AC. IN.						
CROP INSURANCE	\$0.74		\$0.74					\$0.74
SUBTOTAL			\$68.54					\$68.54
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
ROD WEEDER	126 HP	0.08 HR		\$0.60	\$0.82	\$0.56	\$0.97	\$2.96
PLOW	185 HP	0.48 HR		\$3.62	\$7.47	\$5.51	\$8.76	\$25.36
DISC	185 HP	0.14 HR		\$1.06	\$2.18	\$1.53	\$2.53	\$7.30
FERT SPREADER	126 HP	0.05 HR		\$0.38	\$0.51	\$0.33	\$0.43	\$1.65
DRILL	126 HP	0.18 HR		\$1.36	\$1.85	\$1.48	\$8.05	\$12.73
IRRIGATE (5X)		2.50 HR		\$16.88	\$32.20	\$5.66	\$23.80	\$78.52
SUBTOTAL		3.43 HR		\$23.90	\$45.03	\$15.07	\$44.52	\$128.52
<b>HARVEST OPERATIONS</b>								
COMBINE (CUSTOM)			\$17.26					\$17.26
HAUL (CUSTOM)			\$5.76					\$5.76
SUBTOTAL			\$23.02					\$23.02
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.23 HR		\$1.76				\$1.76
EMPLOYEE BENEFITS				\$4.30				\$4.30
INSURANCE			\$0.48					\$0.48
LAND TAXES						\$0.53		\$0.53
SUPERVISION AND MANAGEMENT				\$16.33				\$16.33
OTHER EXPENSES			\$70.58					\$70.58
SUBTOTAL		0.23 HR	\$71.05	\$22.39			\$0.53	\$93.98
TOTAL OPERATING EXPENSES		3.66 HR	\$162.62	\$46.28	\$45.03	\$15.07	\$45.06	\$314.05
NET OPERATING PROFIT								(\$123.14)
INTEREST ON OPERATING CAPITAL		( \$51.21 @ 6.50% )						\$3.33
INTEREST ON EQUIPMENT INVESTMENT								\$11.36
RETURN TO LAND AND RISK								(\$137.83)

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

GROSS RETURN		\$190.91		
VARIABLE OPERATING EXPENSES	\$222.71			
RETURN OVER VARIABLE EXPENSES		(\$31.80)	(GROSS MARGIN)	
FIXED EXPENSES	\$45.06			
NET FARM INCOME		(\$76.86)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$46.28			
NET OPERATING PROFIT		(\$123.14)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$14.69			
RETURN TO LAND AND RISK		(\$137.83)		

TABLE 7. Corn for grain, flood-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County  
 Projected 2004.  
 Planting Dates: April 15 - May 15  
 Harvest Dates: November 1 - November 30

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
CORN FOR GRAIN	\$4.38	84.00 CWT		\$367.92
DIRECT PAYMENT	\$0.28	84.00 CWT	0.85	\$19.99
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$15.00	1.00 ACRE		\$15.00
<b>TOTAL</b>				<b>\$402.91</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.06	28 000	\$29.75		\$29.75
NITROGEN (N)	\$0.29	150 LBS	\$43.50		\$43.50
PHOSPHATE (P205)	\$0.20	60 LBS	\$12.00		\$12.00
HERBICIDE	\$15.88	1 X/ACRE	\$15.88		\$15.88
INSECTICIDE (CUSTOM)	\$16.96	2 X/ACRE	\$33.92		\$33.92
PUMP WATER*		38 AC. IN.			
CROP INSURANCE	\$0.98		\$0.98		\$0.98
<b>SUBTOTAL</b>			<b>\$136.04</b>		<b>\$136.04</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.06	\$2.18	\$1.53	\$2.53	\$7.30
PLOW	185 HP	0.48 HR		\$3.62	\$7.47	\$5.51	\$8.76	\$25.36
DISC	185 HP	0.14 HR		\$1.06	\$2.18	\$1.53	\$2.53	\$7.30
FERT SPREADER	126 HP	0.05 HR		\$0.38	\$0.51	\$0.33	\$0.43	\$1.65
SPRAY & DISC	185 HP	0.17 HR		\$1.28	\$2.65	\$2.27	\$3.91	\$10.11
LISTER	126 HP	0.12 HR		\$0.91	\$1.23	\$0.97	\$2.05	\$5.16
TRACK	126 HP	0.40 HR		\$3.02	\$4.10	\$2.63	\$3.41	\$13.16
PRE-IRRIGATE		0.75 HR		\$5.66	\$8.16	\$1.43	\$6.03	\$21.28
ROD WEED	185 HP	0.08 HR		\$0.60	\$1.25	\$0.78	\$1.44	\$4.07
PLANTER	185 HP	0.17 HR		\$1.28	\$2.65	\$2.73	\$6.22	\$12.87
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.96	\$2.67	\$2.11	\$3.72	\$10.46
IRRIGATE (5X)		2.50 HR		\$16.88	\$40.78	\$7.17	\$30.14	\$94.96
<b>SUBTOTAL</b>		<b>5.26 HR</b>		<b>\$37.71</b>	<b>\$75.82</b>	<b>\$29.00</b>	<b>\$71.14</b>	<b>\$213.67</b>

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$29.40					\$29.40
HAUL (CUSTOM)			\$15.12					\$15.12
<b>SUBTOTAL</b>			<b>\$44.52</b>					<b>\$44.52</b>

OVERHEAD EXPENSES								
DOWNTIME		0.36 HR		\$2.70				\$2.70
EMPLOYEE BENEFITS				\$6.79				\$6.79
INSURANCE			\$0.75					\$0.75
LAND TAXES						\$0.53		\$0.53
SUPERVISION AND MANAGEMENT				\$31.55				\$31.55
OTHER EXPENSES			\$70.58					\$70.58
<b>SUBTOTAL</b>		<b>0.36 HR</b>		<b>\$71.33</b>	<b>\$41.04</b>		<b>\$0.53</b>	<b>\$112.90</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>5.62 HR</b>		<b>\$251.89</b>	<b>\$78.75</b>	<b>\$75.82</b>	<b>\$29.00</b>	<b>\$71.68</b>	<b>\$507.13</b>
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<b>NET OPERATING PROFIT</b>									<b>(\$104.22)</b>
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INTEREST ON OPERATING CAPITAL	(	\$97.93	@	6.50%	)				\$6.37
INTEREST ON EQUIPMENT INVESTMENT									\$20.69

<b>RETURN TO LAND AND RISK</b>									<b>(\$131.27)</b>
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\* Pump water costs are shown under irrigation in the preharvest operations section.

**BUDGET SUMMARY**

GROSS RETURN		\$402.91			
VARIABLE OPERATING EXPENSES	\$356.70				
RETURN OVER VARIABLE EXPENSES		\$46.21	(GROSS MARGIN)		
FIXED EXPENSES	\$71.68				
NET FARM INCOME		(\$25.47)	(RETURN TO CAPITAL, LABOR, LAND & RISK)		
LABOR AND MANAGEMENT COST	\$78.75				
NET OPERATING PROFIT		(\$104.22)	(RETURN TO CAPITAL, LAND & RISK)		
CAPITAL COSTS	\$27.06				
<b>RETURN TO LAND AND RISK</b>		<b>(\$131.27)</b>			

TABLE 8. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County Projected 2004.  
 Planting Dates: May 15 - June 10  
 Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
GRAIN SORGHUM	\$4.03	28.00 CWT		\$112.84
DIRECT PAYMENT	\$0.35	28.00 CWT	0.85	\$8.33
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$9.00	1.00 ACRE		\$9.00
<b>TOTAL</b>				<b>\$130.17</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.30	6 LBS	\$7.80		\$7.80
NITROGEN (N)	\$0.29	100 LBS	\$29.00		\$29.00
PHOSPHATE (P205)	\$0.20	40 LBS	\$8.00		\$8.00
HERBICIDE	\$15.88	1 ACRE	\$15.88		\$15.88
INSECTICIDE (CUSTOM)	\$20.01	1 ACRE	\$20.01		\$20.01
PUMP WATER*		20 AC. IN.			
CROP INSURANCE	\$0.98		\$0.98		\$0.98
<b>SUBTOTAL</b>			<b>\$81.67</b>		<b>\$81.67</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.06	\$2.18	\$1.53	\$2.53	\$7.30
PLOW	185 HP	0.48 HR		\$3.62	\$7.47	\$5.51	\$8.76	\$25.36
DISC	185 HP	0.14 HR		\$1.06	\$2.18	\$1.53	\$2.53	\$7.30
FERT SPREADER	126 HP	0.05 HR		\$0.38	\$0.51	\$0.33	\$0.43	\$1.65
DISC & SPRAY	185 HP	0.17 HR		\$1.28	\$2.65	\$2.27	\$3.91	\$10.11
LISTER	126 HP	0.12 HR		\$0.91	\$1.23	\$0.97	\$2.05	\$5.16
TRACK	126 HP	0.40 HR		\$3.02	\$4.10	\$2.63	\$3.41	\$13.16
PRE-IRRIGATE		0.75 HR		\$5.06	\$6.44	\$1.13	\$4.76	\$17.39
ROD WEED	126 HP	0.08 HR		\$0.60	\$0.82	\$0.56	\$0.97	\$2.96
PLANTER	185 HP	0.17 HR		\$1.28	\$2.65	\$2.73	\$6.22	\$12.87
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.96	\$2.67	\$2.11	\$3.72	\$10.46
IRRIGATE (3X)		1.50 HR		\$10.13	\$19.32	\$3.39	\$14.28	\$47.11
<b>SUBTOTAL</b>		<b>4.26 HR</b>		<b>\$30.36</b>	<b>\$52.21</b>	<b>\$24.71</b>	<b>\$53.54</b>	<b>\$160.83</b>

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$17.81				\$17.81
HAUL (CUSTOM)				\$5.32				\$5.32
<b>SUBTOTAL</b>				<b>\$23.13</b>				<b>\$23.13</b>

OVERHEAD EXPENSES								
DOWNTIME		0.66 HR		\$4.95				\$4.95
EMPLOYEE BENEFITS				\$5.47				\$5.47
INSURANCE			\$0.61					\$0.61
LAND TAXES						\$0.53		\$0.53
SUPERVISION AND MANAGEMENT				\$11.92				\$11.92
OTHER EXPENSES				\$70.58				\$70.58
<b>SUBTOTAL</b>		<b>0.66 HR</b>		<b>\$71.18</b>	<b>\$22.33</b>		<b>\$0.53</b>	<b>\$94.05</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>4.92 HR</b>		<b>\$175.99</b>	<b>\$52.70</b>	<b>\$52.21</b>	<b>\$24.71</b>	<b>\$54.08</b>	<b>\$359.68</b>
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<b>NET OPERATING PROFIT</b>									<b>(\$229.51)</b>
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INTEREST ON OPERATING CAPITAL	(	\$61.99	@	6.50%	)				\$4.03
INTEREST ON EQUIPMENT INVESTMENT									\$19.30

<b>RETURN TO LAND AND RISK</b>									<b>(\$252.84)</b>
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\* Pump water costs are shown under irrigation in the preharvest operations section.

**BUDGET SUMMARY**

GROSS RETURN		\$130.17			
VARIABLE OPERATING EXPENSES	\$252.91				
RETURN OVER VARIABLE EXPENSES		(\$122.74)	(GROSS MARGIN)		
FIXED EXPENSES	\$54.08				
NET FARM INCOME		(\$176.82)	(RETURN TO CAPITAL, LABOR, LAND & RISK)		
LABOR AND MANAGEMENT COST	\$52.70				
NET OPERATING PROFIT		(\$229.51)	(RETURN TO CAPITAL, LAND & RISK)		
CAPITAL COSTS	\$23.33				
RETURN TO LAND AND RISK		(\$252.84)			

TABLE 9. Upland cotton (stripper), flood-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, Projected 2004.  
 Planting Dates: May 1 - May 15  
 Harvest Dates: November 15 - December 30

ITEM	PRICE	YIELD	BASE					TOTAL
<b>GROSS RETURNS</b>								
LINT	\$0.50	710.00 LBS						\$355.00
SEED	\$0.08	1136 LBS						\$85.20
DIRECT PAYMENT	\$0.0667	710.00 LBS	0.85					\$40.25
COUNTER CYCLICAL PAYMENT	\$0.1373	710.00 LBS	0.85					\$82.86
<b>TOTAL</b>								<b>\$563.31</b>
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.68	25 LB	\$17.00					\$17.00
NITROGEN (N)	\$0.29	80 LB	\$23.20					\$23.20
PHOSPHATE (P205)	\$0.20	60 LB	\$12.00					\$12.00
HERBICIDE	\$15.88	1 X/ACRE	\$15.88					\$15.88
INSECTICIDE	\$10.28	1 X/ACRE	\$10.28					\$10.28
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01					\$20.01
PUMP WATER*		15 AC. IN.						
CROP INSURANCE	\$0.71		\$0.71					\$0.71
<b>SUBTOTAL</b>			<b>\$99.08</b>					<b>\$99.08</b>
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.06	\$2.18	\$1.53	\$2.53	\$7.30
PLOW	185 HP	0.48 HR		\$3.62	\$7.47	\$5.51	\$8.76	\$25.36
DISC	185 HP	0.14 HR		\$1.06	\$2.18	\$1.53	\$2.53	\$7.30
FERT SPREADER	126 HP	0.05 HR		\$0.38	\$0.51	\$0.33	\$0.43	\$1.65
DISC & SPRAY	185 HP	0.17 HR		\$1.28	\$2.65	\$2.27	\$3.91	\$10.11
LISTER	126 HP	0.12 HR		\$0.91	\$1.23	\$0.97	\$2.05	\$5.16
TRACK	126 HP	0.40 HR		\$3.02	\$4.10	\$2.63	\$3.41	\$13.16
PRE-IRRIGATE		0.75 HR		\$5.06	\$6.44	\$1.13	\$4.76	\$17.39
ROD WEED	126 HP	0.08 HR		\$0.60	\$0.82	\$0.56	\$0.97	\$2.96
PLANTER	185 HP	0.17 HR		\$1.28	\$2.65	\$2.73	\$6.22	\$12.87
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.96	\$2.67	\$2.11	\$3.72	\$10.46
HAND HOE (CUSTOM)			\$10.00					\$10.00
IRRIGATE (2X)		1.00 HR		\$6.75	\$12.88	\$2.26	\$9.52	\$31.41
<b>SUBTOTAL</b>		<b>3.76 HR</b>	<b>\$10.00</b>	<b>\$26.99</b>	<b>\$45.77</b>	<b>\$23.58</b>	<b>\$48.78</b>	<b>\$155.12</b>
<b>HARVEST OPERATIONS</b>								
COTTON STRIPPER MTD	126 HP	0.62 HR		\$4.68	\$9.65	\$7.73	\$20.36	\$42.41
HAUL	126 HP	0.75 HR		\$5.66	\$7.69	\$5.09	\$11.17	\$29.62
GIN COTTON (CUSTOM)			\$117.43					\$117.43
<b>SUBTOTAL</b>		<b>1.37 HR</b>	<b>\$117.43</b>	<b>\$10.34</b>	<b>\$17.34</b>	<b>\$12.82</b>	<b>\$31.53</b>	<b>\$189.46</b>
<b>POSTHARVEST OPERATIONS</b>								
SHREDDER	126 HP	0.14 HR		\$1.06	\$1.44	\$1.02	\$6.17	\$9.68
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.92 HR		\$6.93				\$6.93
EMPLOYEE BENEFITS				\$6.91				\$6.91
INSURANCE			\$0.77					\$0.77
LAND TAXES						\$0.53		\$0.53
SUPERVISION AND MANAGEMENT				\$42.33				\$42.33
OTHER EXPENSES			\$70.58					\$70.58
<b>SUBTOTAL</b>		<b>0.92 HR</b>	<b>\$71.34</b>	<b>\$56.16</b>			<b>\$0.53</b>	<b>\$128.04</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>6.19 HR</b>	<b>\$297.86</b>	<b>\$94.55</b>	<b>\$64.55</b>	<b>\$37.41</b>	<b>\$87.01</b>	<b>\$581.40</b>
<b>NET OPERATING PROFIT</b>								<b>(\$18.08)</b>
INTEREST ON OPERATING CAPITAL		( \$79.79 @	6.50%	)				\$5.19
INTEREST ON EQUIPMENT INVESTMENT								\$37.58
<b>RETURN TO LAND AND RISK</b>								<b>(\$60.85)</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$563.31	
VARIABLE OPERATING EXPENSES	\$399.83		
RETURN OVER VARIABLE EXPENSES		\$163.48	(GROSS MARGIN)
FIXED EXPENSES	\$87.01		
NET FARM INCOME		\$76.47	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$94.55		
NET OPERATING PROFIT		(\$18.08)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$42.76		
<b>RETURN TO LAND AND RISK</b>		<b>(\$60.85)</b>	

TABLE 10. Peanuts, flood-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, Projected 2004.

Planting Dates: May 10 - June 10

Harvest Dates: October 10 - November 10

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
PEANUTS	\$0.15	2,800.00 LBS	\$420.00
TOTAL			\$420.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.85	100 LB	\$85.00		\$85.00
NITROGEN (N)	\$0.29	50 LB	\$14.50		\$14.50
PHOSPHATE (P205)	\$0.20	80 LB	\$16.00		\$16.00
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	\$11.92	1 X/ACRE	\$11.92		\$11.92
PUMP WATER*		24 AC. IN.			
SUBTOTAL			\$202.05		\$202.05

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.06	\$2.18	\$1.53	\$2.53	\$7.30
PLOW	185 HP	0.48 HR		\$3.62	\$7.47	\$5.51	\$8.76	\$25.36
DISC	185 HP	0.14 HR		\$1.06	\$2.18	\$1.53	\$2.53	\$7.30
FERT SPREADER	126 HP	0.05 HR		\$0.38	\$0.51	\$0.33	\$0.43	\$1.65
SPRAY & DISC	185 HP	0.17 HR		\$1.28	\$2.65	\$2.27	\$3.91	\$10.11
LISTER	126 HP	0.12 HR		\$0.91	\$1.23	\$0.97	\$2.05	\$5.16
TRACK	126 HP	0.40 HR		\$3.02	\$4.10	\$2.63	\$3.41	\$13.16
PRE-IRRIGATE		0.75 HR		\$5.06	\$7.73	\$1.36	\$5.71	\$19.86
LISTER	126 HP	0.12 HR		\$0.91	\$1.23	\$0.97	\$2.05	\$5.16
ROD WEEDER	126 HP	0.08 HR		\$0.60	\$0.82	\$0.56	\$0.97	\$2.96
PLANTER	185 HP	0.17 HR		\$1.28	\$2.65	\$2.73	\$6.22	\$12.87
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.96	\$2.67	\$2.11	\$3.72	\$10.46
HAND HOE (CUSTOM)			\$12.00					\$12.00
IRRIGATE (3X)		1.50 HR		\$10.13	\$23.18	\$4.07	\$17.13	\$54.51
SUBTOTAL		4.38 HR	\$12.00	\$31.27	\$58.60	\$26.59	\$59.40	\$187.85

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DIG AND INVERT	185 HP	0.24 HR		\$1.81	\$3.74	\$2.23	\$4.90	\$12.68
COMBINE PEANUTS	185 HP	0.80 HR		\$6.04	\$12.45	\$9.90	\$44.59	\$72.98
HAUL	126 HP	0.80 HR		\$6.04	\$8.20	\$5.28	\$14.95	\$34.47
SUBTOTAL		1.84 HR	\$0.00	\$13.89	\$24.40	\$17.41	\$64.44	\$120.14

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.81 HR		\$6.10				\$6.10
EMPLOYEE BENEFITS			\$8.13				\$8.13
INSURANCE		\$0.90					\$0.90
LAND TAXES						\$0.53	\$0.53
SUPERVISION AND MANAGEMENT			\$34.86				\$34.86
OTHER EXPENSES		\$70.58					\$70.58
SUBTOTAL	0.81 HR	\$71.48	\$49.09			\$0.53	\$121.10

TOTAL OPERATING EXPENSES 7.03 HR \$285.53 \$94.25 \$82.99 \$44.00 \$124.37 \$631.14

NET OPERATING PROFIT (\$211.14)

INTEREST ON OPERATING CAPITAL ( \$125.81 @ 6.50% ) \$8.18

INTEREST ON EQUIPMENT INVESTMENT \$49.85

RETURN TO LAND AND RISK (\$269.17)

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

BUDGET SUMMARY

GROSS RETURN		\$420.00	
VARIABLE OPERATING EXPENSES	\$412.52		
RETURN OVER VARIABLE EXPENSES		\$7.48	(GROSS MARGIN)
FIXED EXPENSES	\$124.37		
NET FARM INCOME		(\$116.90)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$94.25		
NET OPERATING PROFIT		(\$211.14)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$58.03		
RETURN TO LAND AND RISK		(\$269.17)	

TABLE 11. Summary of per acre costs and returns for a 320 acre farm with above average management, Roosevelt County, New Mexico, Projected 2004.

	WHEAT	CORN	GRAIN SORGHUM	STRIPPER COTTON	PEANUTS
	BU	CWT	CWT	LBS	LBS
PRIMARY YIELD	36.00	84.00	28.00	710.00	2,800.00
PRIMARY PRICE	\$3.75	\$4.38	\$4.03	\$0.50	\$0.15
GOVERNMENT PAYMENTS	\$15.91	\$19.99	\$8.33	\$40.25	\$0.00
SECOND INCOME	\$40.00	\$15.00	\$9.00	\$85.20	\$0.00
GROSS RETURN	\$190.91	\$402.91	\$130.17	\$563.31	\$420.00
CASH OPERATING EXPENSES					
SEED	\$10.80	\$29.75	\$7.80	\$17.00	\$85.00
FERTILIZER	\$37.00	\$55.50	\$37.00	\$35.20	\$30.50
CHEMICALS	\$20.01	\$49.80	\$35.89	\$46.17	\$74.64
CROP INSURANCE	\$0.74	\$0.98	\$0.98	\$0.71	
OTHER PURCHASED INPUTS					\$11.92
CANAL WATER					
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$12.83	\$26.88	\$26.46	\$45.24	\$52.08
FUEL-IRRIGATION	\$32.20	\$48.94	\$25.76	\$19.32	\$30.91
REPAIRS	\$15.07	\$29.00	\$24.71	\$37.41	\$44.00
CUSTOM CHARGES	\$23.02	\$44.52	\$23.13	\$127.43	\$12.00
LAND TAXES	\$0.53	\$0.53	\$0.53	\$0.53	\$0.53
OTHER EXPENSES	\$71.05	\$71.33	\$71.18	\$71.34	\$71.48
TOTAL CASH EXPENSES	\$223.25	\$357.24	\$253.44	\$400.37	\$413.06
RETURN OVER CASH EXPENSES	(\$32.34)	\$45.68	(\$123.27)	\$162.95	\$6.94
FIXED EXPENSES	\$44.52	\$71.14	\$53.54	\$86.48	\$123.84
TOTAL EXPENSES	\$267.77	\$428.38	\$306.99	\$486.84	\$536.90
NET FARM INCOME	(\$76.86)	(\$25.47)	(\$176.82)	\$76.47	(\$116.90)
LABOR AND MANAGEMENT COSTS	\$46.28	\$78.75	\$52.70	\$94.55	\$94.25
NET OPERATING PROFIT	(\$123.14)	(\$104.22)	(\$229.51)	(\$18.08)	(\$211.14)
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL	\$3.33	\$6.37	\$4.03	\$5.19	\$8.18
INTEREST ON EQUIPMENT INVESTMENT	\$11.36	\$20.69	\$19.30	\$37.58	\$49.85
TOTAL CAPITAL COSTS	\$14.69	\$27.06	\$23.33	\$42.76	\$58.03
RETURN TO LAND AND RISK	(\$137.83)	(\$131.27)	(\$252.84)	(\$60.85)	(\$269.17)
Flex Computation	-81.95	-39.44	-180.00	63.21	-95.48



TABLE 12. Whole farm summary, Portales Valley, Roosevelt County,  
Projected 2004.

GROSS RETURNS		
WHEAT	68.00 ACRES	
CROP		\$9,180
GRAZING		\$2,720
DIRECT PAYMENT		\$1,082
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	51.00 ACRES	
CROP		\$18,764
GRAZING		\$765
DIRECT PAYMENT		\$1,020
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	51.00 ACRES	
CROP		\$5,755
GRAZING		\$459
DIRECT PAYMENT		\$425
COUNTER CYCLICAL PAYMENT		\$0
UPLAND COTTON	70.00 ACRES	
LINT		\$24,850
SEED		\$5,964
DIRECT PAYMENT		\$1,369
PEANUTS	60.00 ACRES	
CROP		\$25,200
GROSS RETURN		<u>\$97,552</u>
CASH OPERATING EXPENSES		
SEED		\$8,939
FERTILIZER		\$11,528
CHEMICALS		\$13,441
CROP INSURANCE		\$200
OTHER PURCHASED INPUTS		\$715
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$9,884
FUEL-IRRIGATION		\$9,205
REPAIRS		\$9,023
CUSTOM CHARGES		\$14,656
LAND TAXES		\$160
OTHER EXPENSES		\$21,383
TOTAL CASH EXPENSES		<u>\$99,135</u>
RETURN OVER CASH EXPENSES		(\$1,583)
FIXED EXPENSES		\$22,870
TOTAL EXPENSES		\$122,005
NET FARM INCOME		(\$24,453)
LABOR AND MANAGEMENT COSTS		\$22,124
NET OPERATING PROFIT		(\$46,577)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,610
INTEREST ON EQUIPMENT INVESTMENT		\$8,433
TOTAL CAPITAL COSTS		<u>\$10,044</u>
RETURN TO LAND AND RISK		<u>(\$56,621)</u>
LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$63,021)	-14.13%
\$750 /ACRE	(\$66,221)	-11.37%
\$1,000 /ACRE	(\$69,421)	-9.51%
\$1,250 /ACRE	(\$72,621)	-8.18%
\$1,500 /ACRE	(\$75,821)	-7.17%
\$1,750 /ACRE	(\$79,021)	-6.38%
\$2,000 /ACRE	(\$82,221)	-5.75%

\* 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)