

TABLE 1. Acreage Summary, Roosevelt County, Projected 2007.

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 2007.

Item			
<b>Labor Wage Rate:</b>			
Equipment operators		\$/hour	\$7.45
General & Irrigators		\$/hour	\$6.65
<b>Purchased Inputs:</b>			
<b>Fertilizer:</b>			
Nitrogen (N)		\$/pound	\$0.52
Phosphate (P205)		\$/pound	\$0.40
<b>Seed:</b>			
Wheat		\$/pound	\$0.22
Corn		\$/bag	\$85.00
Grain Sorghum		\$/pound	\$0.60
Cotton		\$/pound	\$2.00
Peanuts		\$/pound	\$0.80
<b>Energy:</b>			
Natural gas (Gas NM)		\$/MCF	\$3.24
Diesel fuel		\$/gallon	\$2.70
Gasoline		\$/gallon	\$2.45
Electricity (SWPS)		cents/KwHr	8.17
LP Gas		\$/gallon	\$1.95
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	8.00%
Land Interest Rate		percent	8.00%
Equipment Interest Rate		percent	8.00%
Real Interest Rate		percent	3.00%
Land Taxes		\$89.00 /acre (full value)	\$0.74
Personal Property Tax Rate	- NR	\$/(\$1,000 (Assessed Value)	\$24.84
	- R		\$21.82
<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 2007.

Item			
Electricity (Domestic & Shop)		\$218.00 per month	\$2,616
Telephone		\$109.00 per month	\$1,308
Accounting & Legal			\$1,597
Misc. Supplies & Hand Tools			\$2,403
Pickup and Auto			
miles	22,454	@ \$0.415 per mile	\$9,318
<b>Insurance</b>			
- general liability (non-employee)			\$1,722
- fire/theft			\$1,363
<b>Property Taxes</b>			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$1,308
Dues, fees, publications			\$392
Farmstead Equipment			\$164
<b>Total</b>			<b>\$28,201</b>
<b>Total Per Planted Acre</b>			<b>\$94.00</b>



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 2007.

Planting Dates: August 20 - September 15

Harvest Dates: June 1 - June 25

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
WHEAT	\$5.00	50.00 BUSHELS		\$250.00
DIRECT PAYMENT	\$0.00	50.00 BUSHELS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$40.00	1.00 ACRE		\$40.00
<b>TOTAL</b>				<b>\$290.00</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.22	60 LBS	\$13.20		\$13.20
NITROGEN (N)	\$0.52	100 LBS	\$52.00		\$52.00
PHOSPHATE (P205)	\$0.40	40 LBS	\$16.00		\$16.00
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01		\$20.01
PUMP WATER*		25 AC. IN.			
CROP INSURANCE	\$0.74		\$0.74		\$0.74
<b>SUBTOTAL</b>			<b>\$101.94</b>		<b>\$101.94</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
ROD WEEDER	126 HP	0.08 HR		\$0.60	\$1.62	\$0.38	\$0.97	\$3.56
PLOW	185 HP	0.48 HR		\$3.58	\$11.62	\$4.97	\$9.38	\$29.54
DISC	185 HP	0.14 HR		\$1.04	\$3.39	\$1.27	\$2.71	\$8.41
FERT SPREADER	126 HP	0.05 HR		\$0.37	\$1.01	\$0.20	\$0.42	\$2.00
DRILL	126 HP	0.18 HR		\$1.34	\$3.64	\$0.90	\$8.11	\$13.99
IRRIGATE (5X)		2.50 HR		\$16.63	\$41.37	\$0.00	\$2.59	\$60.59
<b>SUBTOTAL</b>		<b>3.43 HR</b>		<b>\$23.55</b>	<b>\$62.65</b>	<b>\$7.72</b>	<b>\$24.18</b>	<b>\$118.10</b>

<b>HARVEST OPERATIONS</b>								
COMBINE (CUSTOM)			\$20.20					\$20.20
HAUL (CUSTOM)			\$8.00					\$8.00
<b>SUBTOTAL</b>			<b>\$28.20</b>					<b>\$28.20</b>

<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.23 HR		\$1.73				\$1.73
EMPLOYEE BENEFITS				\$4.24				\$4.24
INSURANCE			\$0.47					\$0.47
LAND TAXES							\$0.74	\$0.74
SUPERVISION AND MANAGEMENT				\$23.27				\$23.27
OTHER EXPENSES			\$94.00					\$94.00
<b>SUBTOTAL</b>		<b>0.23 HR</b>	<b>\$94.48</b>	<b>\$29.24</b>			<b>\$0.74</b>	<b>\$124.45</b>

TOTAL OPERATING EXPENSES 3.66 HR \$224.62 \$52.79 \$62.65 \$7.72 \$24.92 \$372.69

NET OPERATING PROFIT (\$82.69)

INTEREST ON OPERATING CAPITAL ( \$70.91 @ 8.00% ) \$5.67  
 INTEREST ON EQUIPMENT INVESTMENT \$14.25

RETURN TO LAND AND RISK (\$102.62)

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

GROSS RETURN		\$290.00		
VARIABLE OPERATING EXPENSES	\$294.98			
RETURN OVER VARIABLE EXPENSES		(\$4.98)	(GROSS MARGIN)	
FIXED EXPENSES	\$24.92			
NET FARM INCOME		(\$29.90)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$52.79			
NET OPERATING PROFIT		(\$82.69)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$19.92			
RETURN TO LAND AND RISK		(\$102.62)		

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 2007.  
 Planting Dates: April 15 - May 15  
 Harvest Dates: November 1 - November 30

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
CORN FOR GRAIN	\$6.25	65.00 CWT		\$406.25
DIRECT PAYMENT	\$0.00	65.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$15.00	1.00 ACRE		\$15.00
<b>TOTAL</b>				<b>\$421.25</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.06	28 000	\$29.75		\$29.75
NITROGEN (N)	\$0.52	150 LBS	\$78.00		\$78.00
PHOSPHATE (P205)	\$0.40	60 LBS	\$24.00		\$24.00
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>\$182.54</b>		<b>\$182.54</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.04	\$3.39	\$1.27	\$2.71	\$8.41
PLOW	185 HP	0.48 HR		\$3.58	\$11.62	\$4.97	\$9.38	\$29.54
DISC	185 HP	0.14 HR		\$1.04	\$3.39	\$1.27	\$2.71	\$8.41
FERT SPREADER	126 HP	0.05 HR		\$0.37	\$1.01	\$0.20	\$0.42	\$2.00
SPRAY & DISC	185 HP	0.17 HR		\$1.27	\$4.12	\$1.66	\$4.14	\$11.19
LISTER	126 HP	0.12 HR		\$0.89	\$2.43	\$0.80	\$2.06	\$6.17
TRACK	126 HP	0.40 HR		\$2.98	\$8.08	\$1.59	\$3.38	\$16.03
PRE-IRRIGATE		0.75 HR		\$5.59	\$10.48	\$0.00	\$0.66	\$16.73
ROD WEED	185 HP	0.08 HR		\$0.60	\$1.94	\$0.49	\$1.54	\$4.57
PLANTER	185 HP	0.17 HR		\$1.27	\$4.12	\$1.26	\$6.47	\$13.11
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.94	\$5.25	\$2.00	\$4.03	\$13.22
IRRIGATE (5X)		2.50 HR		\$16.63	\$52.40	\$0.00	\$3.29	\$72.31
<b>SUBTOTAL</b>		<b>5.26 HR</b>		<b>\$37.19</b>	<b>\$108.23</b>	<b>\$15.52</b>	<b>\$40.78</b>	<b>\$201.71</b>

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$22.75					\$22.75
HAUL (CUSTOM)			\$11.70					\$11.70
<b>SUBTOTAL</b>			<b>\$34.45</b>					<b>\$34.45</b>

OVERHEAD EXPENSES								
DOWNTIME		0.36 HR		\$2.66				\$2.66
EMPLOYEE BENEFITS				\$6.69				\$6.69
INSURANCE			\$0.74					\$0.74
LAND TAXES						\$0.74		\$0.74
SUPERVISION AND MANAGEMENT				\$32.83				\$32.83
OTHER EXPENSES			\$94.00					\$94.00
<b>SUBTOTAL</b>		<b>0.36 HR</b>	<b>\$94.75</b>	<b>\$42.19</b>		<b>\$0.74</b>		<b>\$137.67</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>5.62 HR</b>	<b>\$311.73</b>	<b>\$79.38</b>	<b>\$108.23</b>	<b>\$15.52</b>	<b>\$41.52</b>	<b>\$556.37</b>
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<b>NET OPERATING PROFIT</b>								<b>(\$135.12)</b>
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INTEREST ON OPERATING CAPITAL	(	\$125.07	@	8.00%	)			\$10.01
INTEREST ON EQUIPMENT INVESTMENT								\$26.09

<b>RETURN TO LAND AND RISK</b>								<b>(\$171.22)</b>
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\* Pump water costs are shown under irrigation in the preharvest operations section.

**BUDGET SUMMARY**

GROSS RETURN		\$421.25			
VARIABLE OPERATING EXPENSES	\$435.48				
RETURN OVER VARIABLE EXPENSES		(\$14.23)	(GROSS MARGIN)		
FIXED EXPENSES	\$41.52				
NET FARM INCOME		(\$55.75)	(RETURN TO CAPITAL, LABOR, LAND & RISK)		
LABOR AND MANAGEMENT COST	\$79.38				
NET OPERATING PROFIT		(\$135.12)	(RETURN TO CAPITAL, LAND & RISK)		
CAPITAL COSTS	\$36.09				
RETURN TO LAND AND RISK		(\$171.22)			

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 2007.  
Planting Dates: May 15 - June 10  
Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
GRAIN SORGHUM	\$5.75	55.00 CWT		\$316.25
DIRECT PAYMENT	\$0.00	55.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$9.00	1.00 ACRE		\$9.00
<b>TOTAL</b>				<b>\$325.25</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.60	6 LBS	\$3.60		\$3.60
NITROGEN (N)	\$0.52	100 LBS	\$52.00		\$52.00
PHOSPHATE (P205)	\$0.40	40 LBS	\$16.00		\$16.00
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>\$108.47</b>		<b>\$108.47</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.04	\$3.39	\$1.27	\$2.71	\$8.41
PLOW	185 HP	0.48 HR		\$3.58	\$11.62	\$4.97	\$9.38	\$29.54
DISC	185 HP	0.14 HR		\$1.04	\$3.39	\$1.27	\$2.71	\$8.41
FERT SPREADER	126 HP	0.05 HR		\$0.37	\$1.01	\$0.20	\$0.42	\$2.00
DISC & SPRAY	185 HP	0.17 HR		\$1.27	\$4.12	\$1.66	\$4.14	\$11.19
LISTER	126 HP	0.12 HR		\$0.89	\$2.43	\$0.80	\$2.06	\$6.17
TRACK	126 HP	0.40 HR		\$2.98	\$8.08	\$1.59	\$3.38	\$16.03
PRE-IRRIGATE		0.75 HR		\$4.99	\$8.27	\$0.00	\$0.52	\$13.78
ROD WEED	126 HP	0.08 HR		\$0.60	\$1.62	\$0.38	\$0.97	\$3.56
PLANTER	185 HP	0.17 HR		\$1.27	\$4.12	\$1.26	\$6.47	\$13.11
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.94	\$5.25	\$2.00	\$4.03	\$13.22
IRRIGATE (3X)		1.50 HR		\$9.98	\$24.82	\$0.00	\$1.56	\$36.35
<b>SUBTOTAL</b>		<b>4.26 HR</b>		<b>\$29.94</b>	<b>\$78.12</b>	<b>\$15.40</b>	<b>\$38.34</b>	<b>\$161.80</b>

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$26.18					\$26.18
HAUL (CUSTOM)			\$10.45					\$10.45
<b>SUBTOTAL</b>			<b>\$36.63</b>					<b>\$36.63</b>

OVERHEAD EXPENSES								
DOWNTIME		0.66 HR		\$4.88				\$4.88
EMPLOYEE BENEFITS				\$5.39				\$5.39
INSURANCE			\$0.60					\$0.60
LAND TAXES						\$0.74		\$0.74
SUPERVISION AND MANAGEMENT				\$25.58				\$25.58
OTHER EXPENSES			\$94.00					\$94.00
<b>SUBTOTAL</b>		<b>0.66 HR</b>		<b>\$94.60</b>	<b>\$35.85</b>		<b>\$0.74</b>	<b>\$131.19</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>4.92 HR</b>		<b>\$239.71</b>	<b>\$65.78</b>	<b>\$78.12</b>	<b>\$15.40</b>	<b>\$39.08</b>	<b>\$438.09</b>
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<b>NET OPERATING PROFIT</b>									<b>(\$112.84)</b>
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INTEREST ON OPERATING CAPITAL	(	\$80.67	@	8.00%	)				\$6.45
INTEREST ON EQUIPMENT INVESTMENT									\$24.30

<b>RETURN TO LAND AND RISK</b>									<b>(\$143.60)</b>
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\* Pump water costs are shown under irrigation in the preharvest operations section.

**BUDGET SUMMARY**

GROSS RETURN		\$325.25			
VARIABLE OPERATING EXPENSES	\$333.23				
RETURN OVER VARIABLE EXPENSES		(\$7.98)	(GROSS MARGIN)		
FIXED EXPENSES	\$39.08				
NET FARM INCOME		(\$47.06)	(RETURN TO CAPITAL, LABOR, LAND & RISK)		
LABOR AND MANAGEMENT COST	\$65.78				
NET OPERATING PROFIT		(\$112.84)	(RETURN TO CAPITAL, LAND & RISK)		
CAPITAL COSTS	\$30.76				
RETURN TO LAND AND RISK		(\$143.60)			

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 2007.

Planting Dates: May 1 - May 15  
Harvest Dates: November 15 - December 30

ITEM	PRICE	YIELD	BASE					TOTAL
<b>GROSS RETURNS</b>								
LINT	\$0.61	500.00 LBS						\$305.00
SEED	\$0.07	800 LBS						\$56.00
DIRECT PAYMENT	\$0.0000	500.00 LBS	0.85					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	500.00 LBS	0.85					\$58.35
TOTAL								\$419.35
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$2.00	25 LB	\$50.00					\$50.00
NITROGEN (N)	\$0.52	80 LB	\$41.60					\$41.60
PHOSPHATE (P205)	\$0.40	60 LB	\$24.00					\$24.00
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
SUBTOTAL			\$162.48					\$162.48
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.04	\$3.39	\$1.27	\$2.71	\$8.41
PLOW	185 HP	0.48 HR		\$3.58	\$11.62	\$4.97	\$9.38	\$29.54
DISC	185 HP	0.14 HR		\$1.04	\$3.39	\$1.27	\$2.71	\$8.41
FERT SPREADER	126 HP	0.05 HR		\$0.37	\$1.01	\$0.20	\$0.42	\$2.00
DISC & SPRAY	185 HP	0.17 HR		\$1.27	\$4.12	\$1.66	\$4.14	\$11.19
LISTER	126 HP	0.12 HR		\$0.89	\$2.43	\$0.80	\$2.06	\$6.17
TRACK	126 HP	0.40 HR		\$2.98	\$8.08	\$1.59	\$3.38	\$16.03
PRE-IRRIGATE		0.75 HR		\$4.99	\$8.27	\$0.00	\$0.52	\$13.78
ROD WEED	126 HP	0.08 HR		\$0.60	\$1.62	\$0.38	\$0.97	\$3.56
PLANTER	185 HP	0.17 HR		\$1.27	\$4.12	\$1.26	\$6.47	\$13.11
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.94	\$5.25	\$2.00	\$4.03	\$13.22
HAND HOE (CUSTOM)			\$10.00					\$10.00
IRRIGATE (2X)		1.00 HR		\$6.65	\$16.55	\$0.00	\$1.04	\$24.24
SUBTOTAL		3.76 HR	\$10.00	\$26.61	\$69.84	\$15.40	\$37.82	\$159.68
<b>HARVEST OPERATIONS</b>								
COTTON STRIPPER MTD	126 HP	0.62 HR		\$4.62	\$15.01	\$3.91	\$21.31	\$44.85
HAUL	126 HP	0.75 HR		\$5.59	\$15.16	\$3.01	\$10.05	\$33.81
GIN COTTON (CUSTOM)			\$82.70					\$82.70
SUBTOTAL		1.37 HR	\$82.70	\$10.21	\$30.17	\$6.92	\$31.36	\$161.36
<b>POSTHARVEST OPERATIONS</b>								
SHREDDER	126 HP	0.14 HR		\$1.04	\$2.83	\$0.61	\$6.24	\$10.73
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.92 HR		\$6.84				\$6.84
EMPLOYEE BENEFITS				\$6.82				\$6.82
INSURANCE			\$0.76					\$0.76
LAND TAXES						\$0.74		\$0.74
SUPERVISION AND MANAGEMENT				\$32.25				\$32.25
OTHER EXPENSES			\$94.00					\$94.00
SUBTOTAL		0.92 HR	\$94.76	\$45.90			\$0.74	\$141.40
TOTAL OPERATING EXPENSES		6.19 HR	\$349.95	\$83.76	\$102.84	\$22.94	\$76.16	\$635.65
NET OPERATING PROFIT								(\$216.30)
INTEREST ON OPERATING CAPITAL		( \$113.40 @	8.00%	)				\$9.07
INTEREST ON EQUIPMENT INVESTMENT								\$46.92
RETURN TO LAND AND RISK								(\$272.29)

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

BUDGET SUMMARY

GROSS RETURN		\$419.35	
VARIABLE OPERATING EXPENSES	\$475.73		
RETURN OVER VARIABLE EXPENSES		(\$56.37)	(GROSS MARGIN)
FIXED EXPENSES	\$76.16		
NET FARM INCOME		(\$132.54)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$83.76		
NET OPERATING PROFIT		(\$216.30)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$55.99		
RETURN TO LAND AND RISK		(\$272.29)	

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 2007.

Planting Dates: May 10 - June 10

Harvest Dates: October 10 - November 10

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
PEANUTS	\$0.15	2,600.00 LBS	\$393.90
TOTAL			\$393.90

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.80	100 LB	\$80.00		\$80.00
NITROGEN (N)	\$0.52	50 LB	\$26.00		\$26.00
PHOSPHATE (P205)	\$0.40	80 LB	\$32.00		\$32.00
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			\$224.55		\$224.55

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.04	\$3.39	\$1.27	\$2.71	\$8.41
PLOW	185 HP	0.48 HR		\$3.58	\$11.62	\$4.97	\$9.38	\$29.54
DISC	185 HP	0.14 HR		\$1.04	\$3.39	\$1.27	\$2.71	\$8.41
FERT SPREADER	126 HP	0.05 HR		\$0.37	\$1.01	\$0.20	\$0.42	\$2.00
SPRAY & DISC	185 HP	0.17 HR		\$1.27	\$4.12	\$1.66	\$4.14	\$11.19
LISTER	126 HP	0.12 HR		\$0.89	\$2.43	\$0.80	\$2.06	\$6.17
TRACK	126 HP	0.40 HR		\$2.98	\$8.08	\$1.59	\$3.38	\$16.03
PRE-IRRIGATE		0.75 HR		\$4.99	\$9.93	\$0.00	\$0.62	\$15.54
LISTER	126 HP	0.12 HR		\$0.89	\$2.43	\$0.80	\$2.06	\$6.17
ROD WEEDER	126 HP	0.08 HR		\$0.60	\$1.62	\$0.38	\$0.97	\$3.56
PLANTER	185 HP	0.17 HR		\$1.27	\$4.12	\$1.26	\$6.47	\$13.11
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.94	\$5.25	\$2.00	\$4.03	\$13.22
HAND HOE (CUSTOM)			\$12.00					\$12.00
IRRIGATE (3X)		1.50 HR		\$9.98	\$29.79	\$0.00	\$1.87	\$41.63
SUBTOTAL		4.38 HR	\$12.00	\$30.83	\$87.16	\$16.20	\$40.81	\$187.01

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DIG AND INVERT	185 HP	0.24 HR		\$1.79	\$5.81	\$1.30	\$5.22	\$14.12
COMBINE PEANUTS	185 HP	0.80 HR		\$5.96	\$19.37	\$5.24	\$80.93	\$111.50
HAUL	126 HP	0.80 HR		\$5.96	\$16.17	\$3.29	\$15.02	\$40.44
SUBTOTAL		1.84 HR	\$0.00	\$13.71	\$41.35	\$9.82	\$101.18	\$166.06

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.81 HR		\$6.02				\$6.02
EMPLOYEE BENEFITS			\$8.02				\$8.02
INSURANCE		\$0.89					\$0.89
LAND TAXES						\$0.74	\$0.74
SUPERVISION AND MANAGEMENT			\$33.03				\$33.03
OTHER EXPENSES		\$94.00					\$94.00
SUBTOTAL	0.81 HR	\$94.90	\$47.07			\$0.74	\$142.70

TOTAL OPERATING EXPENSES	7.03 HR	\$331.45	\$91.60	\$128.51	\$26.03	\$142.73	\$720.32
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NET OPERATING PROFIT							(\$326.42)
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INTEREST ON OPERATING CAPITAL	( \$142.38 @ 8.00% )						\$11.39
INTEREST ON EQUIPMENT INVESTMENT							\$85.65

RETURN TO LAND AND RISK							(\$423.46)
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\* Pump water costs are shown under irrigation in the preharvest operations section

BUDGET SUMMARY

GROSS RETURN		\$393.90					
VARIABLE OPERATING EXPENSES	\$485.98						
RETURN OVER VARIABLE EXPENSES		(\$92.08)	(GROSS MARGIN)				
FIXED EXPENSES	\$142.73						
NET FARM INCOME		(\$234.81)	(RETURN TO CAPITAL, LABOR, LAND & RISK)				
LABOR AND MANAGEMENT COST	\$91.60						
NET OPERATING PROFIT		(\$326.42)	(RETURN TO CAPITAL, LAND & RISK)				
CAPITAL COSTS	\$97.04						
RETURN TO LAND AND RISK		(\$423.46)					

TABLE 11. Summary of per acre costs and returns for a 320 acre farm with above average management, Roosevelt County, New Mexico, Projected 2007.

	WHEAT	CORN	GRAIN SORGHUM	STRIPPER COTTON	PEANUTS
	BU	CWT	CWT	LBS	LBS
PRIMARY YIELD	50.00	65.00	55.00	500.00	2,600.00
PRIMARY PRICE	\$5.00	\$6.25	\$5.75	\$0.61	\$0.15
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$40.00	\$15.00	\$9.00	\$56.00	\$0.00
GROSS RETURN	\$290.00	\$421.25	\$325.25	\$419.35	\$393.90
CASH OPERATING EXPENSES					
SEED	\$13.20	\$29.75	\$3.60	\$50.00	\$80.00
FERTILIZER	\$68.00	\$102.00	\$68.00	\$65.60	\$58.00
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	\$21.28	\$45.34	\$45.02	\$78.02	\$88.79
FUEL-IRRIGATION	\$41.37	\$62.88	\$33.10	\$24.82	\$39.72
REPAIRS	\$7.72	\$15.52	\$15.40	\$22.94	\$26.03
CUSTOM CHARGES	\$28.20	\$34.45	\$36.63	\$92.70	\$12.00
LAND TAXES	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74
OTHER EXPENSES	\$94.48	\$94.75	\$94.60	\$94.76	\$94.90
TOTAL CASH EXPENSES	\$295.72	\$436.21	\$333.97	\$476.46	\$486.72
RETURN OVER CASH EXPENSES	(\$5.72)	(\$14.96)	(\$8.72)	(\$57.11)	(\$92.82)
FIXED EXPENSES	\$24.18	\$40.78	\$38.34	\$75.43	\$141.99
TOTAL EXPENSES	\$319.90	\$477.00	\$372.31	\$551.89	\$628.71
NET FARM INCOME	(\$29.90)	(\$55.75)	(\$47.06)	(\$132.54)	(\$234.81)
LABOR AND MANAGEMENT COSTS	\$52.79	\$79.38	\$65.78	\$83.76	\$91.60
NET OPERATING PROFIT	(\$82.69)	(\$135.12)	(\$112.84)	(\$216.30)	(\$326.42)
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL	\$5.67	\$10.01	\$6.45	\$9.07	\$11.39
INTEREST ON EQUIPMENT INVESTMENT	\$14.25	\$26.09	\$24.30	\$46.92	\$85.65
TOTAL CAPITAL COSTS	\$19.92	\$36.09	\$30.76	\$55.99	\$97.04
RETURN TO LAND AND RISK	(\$102.62)	(\$171.22)	(\$143.60)	(\$272.29)	(\$423.46)
Flex Computation	-64.18	-104.35	-80.95	-149.94	-195.82

TABLE 12. Whole farm summary, Portales Valley, Roosevelt County,  
Projected 2007.

GROSS RETURNS		
WHEAT	68.00 ACRES	
CROP		\$17,000
GRAZING		\$2,720
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	51.00 ACRES	
CROP		\$20,719
GRAZING		\$765
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	51.00 ACRES	
CROP		\$16,129
GRAZING		\$459
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
UPLAND COTTON	70.00 ACRES	
LINT		\$21,350
SEED		\$3,920
DIRECT PAYMENT		\$0
PEANUTS	60.00 ACRES	
CROP		\$23,634
GROSS RETURN		<u>\$106,696</u>
CASH OPERATING EXPENSES		
SEED		\$10,898
FERTILIZER		\$21,366
CHEMICALS		\$13,441
CROP INSURANCE		\$200
OTHER PURCHASED INPUTS		\$715
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$16,844
FUEL-IRRIGATION		\$11,829
REPAIRS		\$5,269
CUSTOM CHARGES		\$12,752
LAND TAXES		\$221
OTHER EXPENSES		\$28,408
TOTAL CASH EXPENSES		<u>\$121,944</u>
RETURN OVER CASH EXPENSES		(\$15,248)
FIXED EXPENSES		\$19,479
TOTAL EXPENSES		\$141,423
NET FARM INCOME		(\$34,727)
LABOR AND MANAGEMENT COSTS		\$22,352
NET OPERATING PROFIT		(\$57,080)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,544
INTEREST ON EQUIPMENT INVESTMENT		\$11,962
TOTAL CAPITAL COSTS		<u>\$14,506</u>
RETURN TO LAND AND RISK		<u>(\$71,586)</u>
LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$76,386)	-18.95%
\$750 /ACRE	(\$78,786)	-14.97%
\$1,000 /ACRE	(\$81,186)	-12.38%
\$1,250 /ACRE	(\$83,586)	-10.55%
\$1,500 /ACRE	(\$85,986)	-9.19%
\$1,750 /ACRE	(\$88,386)	-8.14%
\$2,000 /ACRE	(\$90,786)	-7.31%

\* 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)