

TABLE 1. Acreage Summary, Roosevelt County,
Projected 2017

BUDGET AREA.....	CAUSEY-LINGO AREA, ROOSEVELT COUNTY
FARM SIZE.....	1,280 ACRES
IRRIGATION TYPE.....	DRYLAND
NUMBER OF CROPS....	3

ACREAGE SUMMARY:	LAND USE (ACRES)
GRAIN SORGHUM	357.00
ARP	0.00
FLEX IN COTTON	63.00
COTTON	357.00
ARP	0.00
FLEX IN COTTON	63.00
WHEAT	357.00
ARP	0.00
FLEX IN COTTON	63.00
ROADS, HOMESTEAD	20.00
TOTAL	1,280.00

TABLE 2. Basic cost information for the Causey-Lingo area, Roosevelt County,
Projected 2017

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$8.55
General & Irrigators	\$/hour	\$7.50
Purchased Inputs:		
Seed:		
Wheat	\$/pound	\$0.44
Grain Sorghum	\$/pound	\$1.70
Cotton	\$/pound	\$7.55
Fuel:		
Diesel fuel	\$/gallon	\$2.35
Gasoline	\$/gallon	\$2.10
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	5.50%
Land Interest Rate	percent	5.00%
Equipment Interest Rate	percent	5.50%
Real Interest Rate	percent	3.00%
Land Taxes	\$89.00 /acre (full value)	\$0.60
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value) \$13.80
Supervision Factor	\$/labor hour	\$0.50
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for the Causey-Lingo area, Roosevelt County,
Projected 2017

Item		
Electricity (Domestic & Shop)	\$235.95 per month	\$2,831
Telephone	\$108.90 per month	\$1,307
Accounting & Legal		\$1,785
Misc. Supplies & Hand Tools		\$2,668
Pickup and Auto		
miles	31,158 @ \$0.500 per mile	\$15,579
Insurance		
- general liability (non-employee)		\$1,936
- fire/theft		\$1,500
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$6,010
Building repairs and maintenance		\$1,458
Dues, fees, publications		\$436
Farmstead Equipment		\$194
	Total	\$35,703
	Total Per Planted Acre	\$28.34

TABLE 4. Equipment summary for a 1,280-acre, dryland farm with above average management, Casey-Lingo area, Rosewell County, Province 2017

EQUIPMENT ITEM & SIZE	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE			FUEL OIL LUBRICANT			FUEL OIL REPAIR PER HR			DEPRECIATION TAXES		TOTAL PER HR
			VALUE	LUBRICANT	REPAIR	FUEL OIL PER HR	REPAIR PER HR	PERCENT	TOTAL PER HR					
TRACTOR 93 HP	680	1	\$17,335	\$8,688	\$642	\$12.78	\$0.34	\$450	\$53	\$0.74				
TRACTOR 165 HP	502	1	\$40,885	\$15,371	\$2,702	\$21.07	\$5.39	\$5,985	\$302	\$12.03				
TRUCK 3 TON	373	1	\$23,000	\$5,068	\$2,402	\$14.43	\$6.44	\$4,400	\$150	\$12.76				
COTTON STRIPPER M	2 ROW	317	2	\$5,300	\$291	\$5.32	\$1,533	\$77	\$5.00					
PLANTER 8 ROW	108	2	\$11,000	\$296	\$719	\$7.64	\$2,200	\$74	\$20.90					
CULTIVATOR 8 ROW	145	1	\$4,000	\$1,285	\$458	\$4.58	\$1,000	\$53	\$27	\$3.87				
DISC 18 FT (PFRF)	139	1	\$7,500	\$1,285	\$320	\$5.20	\$1,000	\$47	\$14.48					
DRILL 40 FT	18	1	\$7,750	\$86	\$372	\$3.72	\$1,550	\$52	\$89.75					
LISTER 8 ROW	51	1	\$2,500	\$322	\$57	\$5.27	\$427	\$22	\$5.42					
STUBBLE MULLER 20 FT	71	1	\$6,500	\$975	\$828	\$8.28	\$867	\$44	\$12.75					
SHREDDER 4 ROW	100	1	\$2,500	\$95	\$548	\$5.48	\$233	\$17	\$2.42					
SPRAYER (MTD) 145 HP	21	1	\$1,500	\$15	\$72	\$0.72	\$200	\$10	\$8.81					
COMBINE 22 FT	100	1	\$18,000	\$1,082	\$18.83	\$18.83	\$8,884	\$448	\$51.15					
GRAIN HEAD 37 FT	83	1	\$1,100	\$90	\$15	\$0.15	\$501	\$25	\$5.27					
RID WEEDEE 37 FT	83	1	\$1,100	\$90	\$15	\$0.15	\$153	\$6	\$2.66					
CHESEL 9 FT	82	1	\$1,350	\$137	\$1.67	\$1.67	\$180	\$9	\$2.31					
			\$168,826	\$26,799	\$9,874			\$29,376	\$1,374					

EQUIPMENT LIST

ITEM	NEW VALUE	USED VALUE	YEARS	EQUIP CODE	MAX HOURS	FUEL LBS/HR	LIBRE COEF	ACCUH HOURS	INTEREST EXP. EXPENSE
TRACTOR 93 HP	18799.00	17254.50	10.00	1.00	800.00	5.54	0.10	15644.37	23.00
TRACTOR 165 HP	87775.00	23864.50	15.00	1.00	800.00	8.15	0.10	5518.59	11.00
TRUCK 3 TON	48000.00	23055.00	10.00	6.00	800.00	6.05	0.20	4646.48	13.00
COTTON STRIPPER M	11500.00	2950.00	15.00	5.00	300.00	2058.42	13.00	316.25	0.00
PLANTER 8 ROW	11000.00	5050.00	10.00	6.00	100.00	794.34	13.00	302.50	0.12
CULTIVATOR 8 ROW	6000.00	4000.00	15.00	3.00	300.00	2318.40	16.00	220.00	0.10
DISC 18 FT (PFRF)	10000.00	7950.00	15.00	3.00	200.00	2377.60	16.00	412.50	0.11
DRILL 40 FT	16500.00	7750.00	10.00	8.00	100.00	232.05	13.00	426.25	0.00
LISTER 8 ROW	6400.00	3205.00	15.00	3.00	100.00	1303.52	16.00	175.00	0.08
STUBBLE MULLER 20 FT	13000.00	8500.00	15.00	3.00	300.00	1071.00	15.00	357.50	0.10
SHREDDER 4 ROW	3000.00	2950.00	15.00	3.00	150.00	2047.50	15.00	137.50	0.10
SPRAYER (MTD) 145 HP	3000.00	1500.00	15.00	8.00	100.00	321.30	15.00	82.50	0.06
COMBINE 22 FT	13000.00	8175.00	15.00	2.00	300.00	1299.48	13.00	305.26	0.14
GRAIN HEAD 37 FT	750.00	360.00	15.00	2.00	300.00	1299.48	13.00	206.80	0.14
RID WEEDEE 37 FT	3300.00	1150.00	15.00	3.00	300.00	945.00	15.00	63.25	0.05
CHESEL 9 FT	2700.00	1350.00	15.00	3.00	300.00	1310.40	15.00	74.25	0.00

USAGE LIST

ITEM	NEW VALUE	USED VALUE	YEARS	EQUIP CODE	MAX HOURS	FUEL LBS/HR	LIBRE COEF	ACCUH HOURS	INTEREST EXP. EXPENSE	PER ACRE TOTALS				
										GRAIN SORGHUM	COTTON	WHEAT		
TRACTOR 93 HP	18799.00	17254.50	10.00	1.00	800.00	5.54	0.10	15644.37	23.00	432.71	0.28	1.03	1.38	
TRACTOR 165 HP	87775.00	23864.50	15.00	1.00	800.00	8.15	0.10	5518.59	11.00	2468.81	0.35	0.52	0.26	1.13
TRUCK 3 TON	48000.00	23055.00	10.00	6.00	800.00	6.05	0.20	4646.48	13.00	1285.00	0.14	0.50	0.14	0.78
COTTON STRIPPER M	11500.00	2950.00	15.00	5.00	300.00	2058.42	13.00	316.25	0.00	0.58	0.00	0.00	0.58	
PLANTER 8 ROW	11000.00	5050.00	10.00	6.00	100.00	794.34	13.00	302.50	0.12	0.12	0.00	0.00	0.24	
CULTIVATOR 8 ROW	6000.00	4000.00	15.00	3.00	300.00	2318.40	16.00	220.00	0.10	0.20	0.00	0.00	0.30	
DISC 18 FT (PFRF)	10000.00	7950.00	15.00	3.00	200.00	2377.60	16.00	412.50	0.11	0.11	0.13	0.00	0.33	
DRILL 40 FT	16500.00	7750.00	10.00	8.00	100.00	232.05	13.00	426.25	0.00	0.00	0.05	0.05	0.05	
LISTER 8 ROW	6400.00	3205.00	15.00	3.00	100.00	1303.52	16.00	175.00	0.08	0.00	0.00	0.00	0.18	
STUBBLE MULLER 20 FT	13000.00	8500.00	15.00	3.00	300.00	1071.00	15.00	357.50	0.10	0.00	0.10	0.10	0.20	
SHREDDER 4 ROW	3000.00	2950.00	15.00	3.00	150.00	2047.50	15.00	137.50	0.10	0.00	0.00	0.00	0.10	
SPRAYER (MTD) 145 HP	3000.00	1500.00	15.00	8.00	100.00	321.30	15.00	82.50	0.06	0.00	0.00	0.00	0.06	
COMBINE 22 FT	13000.00	8175.00	15.00	2.00	300.00	1299.48	13.00	305.26	0.14	0.00	0.14	0.14	0.28	
GRAIN HEAD 37 FT	750.00	360.00	15.00	2.00	300.00	1299.48	13.00	206.80	0.14	0.00	0.14	0.14	0.28	
RID WEEDEE 37 FT	3300.00	1150.00	15.00	3.00	300.00	945.00	15.00	63.25	0.05	0.00	0.05	0.05	0.15	
CHESEL 9 FT	2700.00	1350.00	15.00	3.00	300.00	1310.40	15.00	74.25	0.00	0.15	0.00	0.15	0.15	

INTEREST PROXATION

GRAIN SORGHUM	COTTON	WHEAT
1.72	2.56	1.28
0.47	1.70	0.47
0.00	0.58	0.00
0.33	0.33	0.00
0.15	0.30	0.00
0.33	0.33	0.33
0.00	0.00	1.10
0.19	0.19	0.00
0.00	0.00	0.00
0.00	0.25	0.00
0.23	0.00	0.00
5.12	0.00	5.12
0.29	0.00	0.29
0.05	0.05	0.05
0.00	0.14	0.00
0.46	0.43	0.24

GRAIN SORGHUM ACRES: 357 PUMP WATER:

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT	
			RATE	TOTAL CUSTOM
DISC	165 HP	1.00	0.11	0.11
STUBBLE MULLER	165 HP	1.00	0.10	0.10
LISTER	165 HP	1.00	0.08	0.08
PLANTER	93 HP	1.00	0.12	0.12
CULTIVATOR	93 HP	1.00	0.10	0.10
SPRAYER	93 HP	1.00	0.08	0.08
COMBINE	22 FT	1.00	0.14	0.14
HULL	2 TON	1.00	0.14	0.14

COTTON ACRES: 446 PUMP WATER:

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT	
			RATE	TOTAL CUSTOM
CHESEL	165 HP	1.00	0.15	0.15
DISC	165 HP	1.00	0.11	0.11
LISTER	165 HP	1.00	0.08	0.08
RID WEEDEE	165 HP	1.00	0.08	0.08
PLANTER	165 HP	1.00	0.10	0.10
CULTIVATOR (2X)	93 HP	2.00	0.10	0.20
HAND/HC (CUSTOM)				6.00
COTTON STRIPPER (MTD)	93 HP	1.00	0.58	0.58
HULL	2 TON	1.00	0.50	0.50
GRV COTTON (CUSTOM PER LINT #)				0.15
SHREDDER	93 HP	1.00	0.25	0.25

WHEAT ACRES: 357 PUMP WATER:

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT	
			RATE	TOTAL CUSTOM
STUBBLE MULLER	165 HP	1.00	0.10	0.10
DISC	165 HP	1.00	0.11	0.11
LISTER	165 HP	1.00	0.08	0.08
RID WEEDEE	165 HP	1.00	0.08	0.08
DRILL	93 HP	1.00	0.08	0.08
COMBINE	2 TON	1.00	0.14	0.14
HULL	2 TON	1.00	0.14	0.14

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE

Hours of Use	1	2	3	4	5	6	7	8	9
0	0.000000	0.000020	0.000620	0.000010	0.000000	0.001140	0.000040	0.000240	0.000200
50	0.000080	0.000020	0.000620	0.000020	0.000080	0.001140	0.000040	0.000240	0.000200
100	0.000060	0.000020	0.000620	0.000020	0.000140	0.001120	0.000050	0.000260	0.000200
200	0.000030	0.000020	0.000620	0.000040	0.000180	0.001080	0.000110	0.000310	0.000280
300	0.000020	0.000050	0.000380	0.000060	0.000280	0.001020	0.000140	0.000320	0.000450
400	0.000030	0.000080	0.000370	0.000090	0.000260	0.001040	0.000150	0.000310	0.000450
500	0.000020	0.000070	0.000380	0.000100	0.000280	0.001020	0.000150	0.000300	0.000450
600	0.000030	0.000090	0.000340	0.000120	0.000310	0.001000	0.000160	0.000280	0.000530
700	0.000020	0.000100	0.000340	0.000130	0.000330	0.000980	0.000160	0.000290	0.000590
800	0.000030	0.000110	0.000320	0.000150	0.000350	0.000960	0.000160	0.000280	0.000650
900	0.000020	0.000120	0.000320	0.000160	0.000370	0.000940	0.000160	0.000270	0.000710
1000	0.000030	0.000130	0.000310	0.000180	0.000390	0.000920	0.000160	0.000260	0.000770
1200	0.000040	0.000140	0.000300	0.000200	0.000410	0.000900	0.000160	0.000250	0.000830
1400	0.000045	0.000170	0.000300	0.000220	0.000				

TABLE 5. Grain sorghum, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Causey-Lingo area, Roosevelt County, Projected 2017

Planting Dates: May 15 - May 30

Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$5.91	15.00 CWT		\$88.71
DIRECT PAYMENT	\$0.00	15.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$5.00	1 ACRE		\$5.00
TOTAL				\$93.71

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.70	3 LBS	\$5.10		\$5.10
INSECTICIDE	\$15.88	1 X/ACRE	\$15.88		\$15.88
CROP INSURANCE	\$0.14		\$0.14		\$0.14
SUBTOTAL			\$21.12		\$21.12

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	165 HP	0.11 HR		\$0.94	\$2.32	\$1.62	\$2.21	\$7.09
STUBBLE MULCH	165 HP	0.10 HR		\$0.86	\$2.11	\$1.34	\$2.53	\$6.84
LISTER	165 HP	0.09 HR		\$0.77	\$1.90	\$0.84	\$1.62	\$5.13
ROD WEED	165 HP	0.05 HR		\$0.43	\$1.05	\$0.34	\$0.75	\$2.58
PLANTER	93 HP	0.12 HR		\$1.03	\$1.53	\$0.43	\$2.61	\$5.60
CULTIVATOR	93 HP	0.10 HR		\$0.86	\$1.28	\$0.59	\$0.46	\$3.18
SPRAYER	93 HP	0.06 HR		\$0.51	\$0.77	\$0.10	\$0.63	\$2.01
SUBTOTAL		0.63 HR		\$5.39	\$10.96	\$5.26	\$10.82	\$32.43

HARVEST OPERATIONS								
COMBINE		0.14 HR		\$1.20	\$2.75	\$0.39	\$13.78	\$18.12
HAUL	2 TON	0.14 HR		\$1.20	\$2.09	\$0.90	\$1.78	\$5.97
SUBTOTAL		0.28 HR		\$2.39	\$4.84	\$1.29	\$15.56	\$24.09

OVERHEAD EXPENSES								
DOWNTIME		0.12 HR		\$1.00				\$1.00
EMPLOYEE BENEFITS				\$1.40				\$1.40
INSURANCE			\$0.16					\$0.16
LAND TAXES							\$0.60	\$0.60
SUPERVISION AND MANAGEMENT				\$6.94				\$6.94
OTHER EXPENSES			\$28.34					\$28.34
SUBTOTAL		0.12 HR	\$28.49	\$9.34			\$0.60	\$38.43

TOTAL OPERATING EXPENSES		1.03 HR	\$49.62	\$17.12	\$15.79	\$6.56	\$26.98	\$116.07
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NET OPERATING PROFIT								(\$22.36)
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INTEREST ON OPERATING CAPITAL	(\$15.13	@	5.50%)			\$0.83
INTEREST ON EQUIPMENT INVESTMENT								\$9.40

RETURN TO LAND AND RISK								(\$32.59)
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BUDGET SUMMARY

GROSS RETURN		\$93.71		
VARIABLE OPERATING EXPENSES	\$71.97			
RETURN OVER VARIABLE EXPENSES		\$21.75	(GROSS MARGIN)	
FIXED EXPENSES	\$26.98			
NET FARM INCOME		(\$5.24)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$17.12			
NET OPERATING PROFIT		(\$22.36)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$10.23			
RETURN TO LAND AND RISK		(\$32.59)		

TABLE 6. Upland cotton (stripper), dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Causey-Lingo area, Roosevelt County, Projected 2017

Planting Dates: May 1 - June 10

Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
LINT	\$0.70	250.00 LBS		\$175.00
SEED	\$0.09	400 LBS		\$36.00
DIRECT PAYMENT	\$0.0000	250.00 LBS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	250.00 LBS	0.85	\$29.18
TOTAL				\$240.18

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$7.55	15 LBS	\$113.25		\$113.25
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01		\$20.01
CROP INSURANCE	\$0.09		\$0.09		\$0.09
SUBTOTAL			\$133.35		\$133.35

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	165 HP	0.15 HR		\$1.28	\$3.16	\$1.06	\$2.23	\$7.73
DISC	165 HP	0.11 HR		\$0.94	\$2.32	\$1.62	\$2.21	\$7.09
LISTER	165 HP	0.09 HR		\$0.77	\$1.90	\$0.84	\$1.62	\$5.13
ROD WEED	165 HP	0.05 HR		\$0.43	\$1.05	\$0.34	\$0.75	\$2.58
PLANTER	165 HP	0.12 HR		\$1.03	\$2.53	\$0.96	\$4.02	\$8.54
CULTIVATOR (2X)	93 HP	0.20 HR		\$1.71	\$2.56	\$1.18	\$0.92	\$6.37
HAND HOE (CUSTOM)			\$6.00					\$6.00
SUBTOTAL		0.72 HR	\$6.00	\$6.16	\$13.51	\$6.00	\$11.76	\$43.43

HARVEST OPERATIONS								
COTTON STRIPPER (MTD)	93 HP	0.58 HR		\$4.96	\$7.42	\$1.08	\$3.38	\$16.84
HAUL	2 TON	0.50 HR		\$4.28	\$7.46	\$3.22	\$6.37	\$21.33
GIN COTTON (CUSTOM)			\$38.40					\$38.40
SUBTOTAL		1.08 HR	\$38.40	\$9.23	\$14.88	\$4.30	\$9.75	\$76.57

POST HARVEST OPERATIONS								
SHREDDER	93 HP	0.25 HR		\$2.14	\$3.20	\$0.34	\$0.83	\$6.50

OVERHEAD EXPENSES								
DOWNTIME		0.47 HR		\$4.04				\$4.04
EMPLOYEE BENEFITS				\$3.15				\$3.15
INSURANCE			\$0.35					\$0.35
LAND TAXES						\$0.60		\$0.60
SUPERVISION AND MANAGEMENT				\$17.76				\$17.76
OTHER EXPENSES			\$28.34					\$28.34
SUBTOTAL		0.47 HR	\$28.69	\$24.95		\$0.60		\$54.24

TOTAL OPERATING EXPENSES		2.52 HR	\$206.43	\$42.48	\$31.59	\$10.64	\$22.94	\$314.09
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NET OPERATING PROFIT								(\$73.91)
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INTEREST ON OPERATING CAPITAL	(\$74.03	@	5.50%)			\$4.07
INTEREST ON EQUIPMENT INVESTMENT								\$6.43

RETURN TO LAND AND RISK								(\$84.41)
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BUDGET SUMMARY

GROSS RETURN		\$240.18		
VARIABLE OPERATING EXPENSES	\$248.67			
RETURN OVER VARIABLE EXPENSES		(\$8.49)	(GROSS MARGIN)	
FIXED EXPENSES	\$22.94			
NET FARM INCOME		(\$31.43)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$42.48			
NET OPERATING PROFIT		(\$73.91)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$10.50			
RETURN TO LAND AND RISK		(\$84.41)		

TABLE 7. Wheat, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Causey-Lingo area, Roosevelt County, Projected 2017
 Planting dates: August 15 - September 15
 Harvesting dates: June 1 - June 25

ITEM	PRICE	YIELD	BASE						TOTAL	
GROSS RETURNS										
WHEAT	\$4.20	18.00 BUSHEL							\$75.60	
DIRECT PAYMENT	\$0.00	18.00 BUSHEL	0.85						\$0.00	
COUNTER CYCLICAL PAYMENT	\$0.00								\$0.00	
GRAZING	\$10.00	1.00 ACRE							\$10.00	
TOTAL									\$85.60	
PURCHASED INPUTS										
	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL	
SEED	\$0.44	30 LB	\$13.20						\$13.20	
CROP INSURANCE	\$0.14		\$0.14						\$0.14	
									\$13.34	
PREHARVEST OPERATIONS										
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL		
STUBBLE MULCH	165 HP	0.10 HR		\$0.86	\$2.11	\$1.34	\$2.53	\$6.84		
DISC	165 HP	0.11 HR		\$0.94	\$2.32	\$1.62	\$2.21	\$7.09		
RODWEED	165 HP	0.05 HR		\$0.43	\$1.05	\$0.34	\$0.75	\$2.58		
DRILL	93 HP	0.05 HR		\$0.43	\$0.64	\$0.23	\$4.52	\$5.83		
SUBTOTAL		0.31 HR		\$2.65	\$6.12	\$3.53	\$10.02	\$22.32		
HARVEST OPERATIONS										
COMBINE		0.14 HR		\$1.20	\$2.75	\$0.39	\$13.78	\$18.12		
HAUL	2 TON	0.14 HR		\$1.20	\$2.09	\$0.90	\$1.78	\$5.97		
SUBTOTAL		0.28 HR		\$2.39	\$4.84	\$1.29	\$15.56	\$24.09		
OVERHEAD EXPENSES										
DOWNTIME		0.10 HR		\$0.86				\$0.86		
EMPLOYEE BENEFITS				\$0.91				\$0.91		
INSURANCE			\$0.10				\$0.10			
LAND TAXES							\$0.60	\$0.60		
SUPERVISION AND MANAGEMENT				\$6.15				\$6.15		
OTHER EXPENSES			\$28.34				\$28.34			
SUBTOTAL		0.10 HR	\$28.44	\$7.91				\$0.60	\$36.95	
TOTAL OPERATING EXPENSES		0.41 HR	\$41.64	\$12.95	\$10.96	\$4.83	\$26.18	\$96.56		
NET OPERATING PROFIT									(\$10.96)	
INTEREST ON OPERATING CAPITAL (\$9.52 @ 5.50%)									\$0.52	
INTEREST ON EQUIPMENT INVESTMENT									\$9.24	
RETURN TO LAND AND RISK									(\$20.72)	

BUDGET SUMMARY

GROSS RETURN	\$85.60		
VARIABLE OPERATING EXPENSES	\$57.42		
RETURN OVER VARIABLE EXPENSES	\$28.18	(GROSS MARGIN)	
FIXED EXPENSES	\$26.18		
NET FARM INCOME	\$1.99	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$12.95		
NET OPERATING PROFIT	(\$10.96)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$9.76		
RETURN TO LAND AND RISK	(\$20.72)		

TABLE 8. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Roosevelt County, Projected 2017

	GRAIN SORGHUM	STRIPPER COTTON	WHEAT
	CWT	LBS	BU
PRIMARY YIELD	15.00	250.00	18.00
PRIMARY PRICE	\$5.91	\$0.70	\$4.20
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$5.00	\$36.00	\$10.00
GROSS RETURN	\$93.71	\$240.18	\$85.60
CASH OPERATING EXPENSES			
SEED	\$5.10	\$113.25	\$13.20
FERTILIZER			
CHEMICALS	\$15.88	\$20.01	
CROP INSURANCE	\$0.14	\$0.09	\$0.14
OTHER PURCHASED INPUTS			
CANAL WATER			
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$15.79	\$31.59	\$10.96
FUEL-IRRIGATION			
REPAIRS	\$6.56	\$10.64	\$4.83
CUSTOM CHARGES	\$0.00	\$44.40	\$0.00
LAND TAXES	\$0.60	\$0.60	\$0.60
OTHER EXPENSES	\$28.49	\$28.69	\$28.44
TOTAL CASH EXPENSES	\$72.57	\$249.27	\$58.16
RETURN OVER CASH EXPENSES	\$21.15	(\$9.09)	\$27.44
FIXED EXPENSES	\$26.38	\$22.34	\$25.58
TOTAL EXPENSES	\$98.95	\$271.61	\$83.75
NET FARM INCOME	(\$5.24)	(\$31.43)	\$1.85
LABOR AND MANAGEMENT COSTS	\$17.12	\$42.48	\$12.95
NET OPERATING PROFIT	(\$22.36)	(\$73.91)	(\$11.10)
CAPITAL COSTS			
INTEREST ON OPERATING CAPITAL	\$0.83	\$4.07	\$0.52
INTEREST ON EQUIPMENT INVESTMENT	\$9.40	\$6.43	\$9.24
TOTAL CAPITAL COSTS	\$10.23	\$10.50	\$9.76
RETURN TO LAND AND RISK	(\$32.59)	(\$84.41)	(\$20.86)

TABLE 9. Whole farm summary, Causey-Lingo area, Roosevelt County,
Projected 2017

GROSS RETURNS		
GRAIN SORGHUM	357.00 ACRES	
CROP		\$31,671
GRAZING		\$1,785
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
COTTON	546.00 ACRES	
LINT		\$95,550
SEED		\$19,656
DIRECT PAYMENT		\$0
WHEAT	357.00 ACRES	
CROP		\$26,989
GRAZING		\$3,570
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$179,221</u>
CASH OPERATING EXPENSES		
SEED		\$68,368
FERTILIZER		\$0
CHEMICALS		\$16,594
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$26,799
FUEL-IRRIGATION		\$0
REPAIRS		\$9,874
CUSTOM CHARGES		\$24,242
LAND TAXES		\$755
OTHER EXPENSES		\$35,986
TOTAL CASH EXPENSES		<u>\$182,769</u>
RETURN OVER CASH EXPENSES		(\$3,548)
FIXED EXPENSES		\$30,750
TOTAL EXPENSES		\$213,519
NET FARM INCOME		(\$34,298)
LABOR AND MANAGEMENT COSTS		\$33,931
NET OPERATING PROFIT		(\$68,229)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,707
INTEREST ON EQUIPMENT INVESTMENT		\$10,165
TOTAL CAPITAL COSTS		<u>\$12,873</u>
RETURN TO LAND AND RISK		<u>(\$81,101)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$86,861)	-17.92%
\$200 /ACRE	(\$88,781)	-15.34%
\$250 /ACRE	(\$90,701)	-13.41%
\$300 /ACRE	(\$92,621)	-11.91%
\$350 /ACRE	(\$94,541)	-10.71%
\$400 /ACRE	(\$96,461)	-9.74%

* 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)