

Table 1.

**Production Characteristics for the Ranching Region**

	Units	Strip	Plateau	Central Mountains	Western Desert
Number of Cow	head	300	400	300	370
Animal Units	AUY	405	540	405	500
Replacement Rates	%	10	10	15	10
Bull to Cow Ration	head	1:15	1:15	1:15	1:15
Calf Crop	%	75	80	65	72
Steer Weights	lb	500	500	500	425
Heifer Weights	lb	475	475	475	400
Cull Cow Weights	lb	900	900	900	900
Cull Bull Weights	lb	1150	1250	1200	1250

**ns**

Southeast
350
525
20
1:20
80
450
425
900
1300

Table 2.

Net Returns for Each Arizona Ranching Region  
(High Revenue and High Cost)  
Units \$/Cow

	Strip	Plateau	Central Mountains	Western Desert
Revenues	\$312.74	\$331.80	\$265.14	\$276.15
Feed Cost	\$132.91	\$72.50	\$35.49	\$41.31
Total VC	\$309.49	\$209.05	\$144.05	\$159.65
Cash Ownership Cost	\$21.28	\$172.09	\$41.78	\$87.84
Total Ownership Cost	\$172.01	\$481.23	\$184.63	\$308.37
Returns Above Cash Cost	-\$18.03	-\$49.34	\$79.31	\$28.66
Returns Above Total Cost	-\$168.76	-\$358.48	-\$63.54	-\$191.87

Table 3.

Net Returns for Each Arizona Ranching Region  
(Low Revenue and Low Cost)  
Units \$/Cow

	Strip	Plateau	Central Mountains	Western Desert
Revenues	\$223.62	\$236.86	\$190.29	\$197.41
Feed Cost	\$104.41	\$50.39	\$31.18	\$34.60
Total VC	\$234.18	\$151.58	\$113.75	\$124.57
Cash Ownership Cost	\$13.83	\$111.86	\$27.16	\$57.09
Total Ownership Cost	\$111.04	\$313.13	\$119.88	\$200.27
Returns Above Cash Cost	-\$24.39	-\$26.58	\$49.38	\$15.75
Returns Above Total Cost	-\$121.60	-\$227.85	-\$43.34	-\$127.43

Table 4.

Net Returns for Each Arizona Ranching Region  
(High Revenue and Low Cost)  
Units \$/Cow

	Strip	Plateau	Central Mountains	Western Desert
Revenues	\$312.74	\$331.80	\$265.14	\$276.15
Feed Cost	\$104.41	\$50.39	\$31.18	\$34.60
Total VC	\$234.18	\$151.58	\$113.75	\$124.57
Cash Ownership Cost	\$13.83	\$111.86	\$27.16	\$57.09
Total Ownership Cost	\$111.04	\$313.13	\$119.88	\$200.27
Returns Above Cash Cost	\$64.73	\$68.36	\$124.23	\$94.49
Returns Above Total Cost	-\$32.48	-\$132.91	\$31.51	-\$48.69

Southeastern

Desert

\$274.26	\$292.02
\$55.78	\$67.60
\$124.80	\$189.41
\$22.12	\$69.02
\$207.55	\$270.76
\$127.34	\$33.59
<b>-\$58.09</b>	<b>-\$168.15</b>

Southeastern

Desert

\$196.85
\$40.36
\$77.79
\$14.38
\$136.23
\$104.68
<b>-\$17.17</b>

Southeastern

Desert

\$274.26
\$40.36
\$77.79
\$14.38
\$136.23
\$182.09
\$60.24



## SOUTHWEST REGION

Number	Land Values	Price Per Unit	10 Yr Avg Rate of Return	Purchase Price	Salvage/Cull Value	Useful Life	Livestock Share	Annual Capital Recovery
3,500	Acres of private land	\$75	3.9%	\$262,500	\$262,500			
160	AU Values <sup>1</sup>	\$2,400	3.9%	\$384,000	\$384,000			
<b>Sub Totals</b>				<b>\$646,500</b>				
Number	Buildings, Improvements	Price Per Unit						
12	Miles of pipeline	\$2,000	3.9%	\$24,000	\$2,400	25	100	\$1,462
4	Wells	\$12,000	3.9%	\$48,000	\$4,800	25	100	\$2,923
45	Miles of Fence	\$4,000	3.9%	\$180,000	\$18,000	25	100	\$10,963
1	Corrals/Working Facilities	\$10,000	3.9%	\$10,000	\$1,000	30	100	\$553
1	Barns & Shop	\$15,000	3.9%	\$15,000	\$1,500	30	100	\$830
<b>Sub Totals</b>				<b>\$277,000</b>				<b>\$16,731</b>
Number	Machinery & Vehicles	Price Per Unit	Interest Rate <sup>3</sup>	Price	Salvage/Cull			
1	3/4 ton pickup 4WD	\$42,000	6.0%	\$42,000	\$8,400	7	50	\$3,261
1	1 ton pickup 4WD	\$45,000	6.0%	\$45,000	\$9,000	7	50	\$3,494
0	Dozer/Tractor	\$5,000	6.0%	\$0	\$0	7	100	\$0
2	Gooseneck trailer	\$7,000	6.0%	\$14,000	\$2,800	7	100	\$2,174
1	Horse tack	\$6,000	6.0%	\$6,000	\$1,200	10	100	\$724
1	Misc. equipment	\$4,500	6.0%	\$4,500	\$900	10	100	\$543
<b>Sub Total</b>				<b>\$111,500</b>				<b>\$10,198</b>
Head	Purchased Livestock	Price Per Unit	Interest Rate <sup>3</sup>	Price	Salvage/Cull			
4	Horses	\$1,500	6.0%	\$6,000	\$2,280	10	100	\$642
8	Bulls	\$3,000	6.0%	\$24,000	\$9,120	4	100	\$4,841
30	Cows	\$1,200	6.0%	\$36,000	\$13,680	8	100	\$4,415
<b>53</b>	<b>Total AUYS</b>							
<b>Sub Total</b>				<b>\$30,000</b>				<b>\$5,484</b>
Head	Retained Livestock	Price Per Unit	Interest Rate	Price	Salvage/Cull			Interest on Investment
160	Cows	\$1,200	6.0%	\$192,000	\$72,960			\$9,084
24	Replacement Heifers	\$1,200	6.0%	\$28,800	\$10,944			\$1,363
<b>178</b>	<b>Total AUYS</b>							
<b>Sub Total</b>				<b>\$220,800</b>	<b>\$83,904</b>			<b>\$10,447</b>
<b>Total</b>				<b><u>\$1,285,800</u></b>				<b><u>\$37,375</u></b>

1) The interest rate of 3.9% used to calculate the capital recovery cost is the USDA-ERS's ten year average long-run rate of return to production assets for New Mexico.