

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA.....	ARTESIA-LAKE ARTHUR AREA,	Projected 2011.
FARM SIZE... ..	500 ACRES	
IRRIGATION TYPE.....	FLOOD	
NUMBER OF CROPS....	6	

VERSION 1.0

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TABLE 1. Acreage Summary, Eddy County, Artesia Lake Arthur Area, Projected 2011.

BUDGET AREA..... ARTESIA-LAKE ARTHUR AREA			
FARM SIZE.....	500.00 ACRES		
IRRIGATION TYPE.....	FLOOD		
NUMBER OF CROPS.....	6		
		WATER USE	
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	52.00 *	8	416
ALFALFA	260.00	50	13,000
BARLEY	17.00	28	476
ARP	0.00		
FLEX IN PICKER COTTON	3.00	30	90
OAT HAY	20.00	28	560
PICKER COTTON	68.00	30	2,040
ARP	0.00		
FLEX IN PICKER COTTON	12.00	30	360
STRIPPER COTTON	68.00	30	2,040
ARP	0.00		
FLEX IN PICKER COTTON	12.00	30	360
RED CHILE	40.00	48	1,920
TOTAL	500.00		21,262
ACRE FEET PER ACRE OF WATER RIGHTS			3.54

\*DOUBLE-CROPPED

TABLE 2. Basic cost information for the Artesia-Lake Arthur area, Projected 2011.

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$7.20
General & Irrigators	\$/hour	\$7.25
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.71
Phosphate (P <sub>2</sub> O <sub>5</sub> )	\$/pound	\$0.65
Seed:		
Alfalfa	\$/pound	\$3.30
Cotton picker	\$/pound	\$2.15
stripper	\$/pound	\$2.15
Barley	\$/pound	\$0.28
Oats	\$/pound	\$0.38
Red Chile	\$/pound	\$22.00
Wire:	\$/lb.	\$0.02
Natural gas (service charge)	\$/MCF	\$3.75
Diesel fuel	\$/month	\$10.00
Diesel fuel	\$/gallon	\$2.95
Gasoline	\$/gallon	\$3.05
Electricity	cents/KwHr	\$7.97
LP Gas	\$/gallon	\$2.55
Employee Liability Insurance	\$/ \$1000 wages	\$0.31
Employee Benefits	percent/wages	18.00%
Labor Downtime	percent	25.00%
Financial Rates:		
Operating Capital Interest Rate	percent	7.50%
Land Interest Rate	percent	Amount
Equipment Interest Rate	percent	7.50%
Real Interest Rate	percent	7.00%
Land Taxes	\$250.00 /acre (full value)	\$1.75
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value)
		\$20.95
		\$19.81
Supervision Factors		
Field Crop-Irrigation	\$/labor hour	\$0.07
Field Crop-Equipment & General	\$/labor hour	\$0.03
Vegetable Crop-Irrigation	\$/labor hour	\$0.00
Vegetable Crop-Equip. & General	\$/labor hour	\$0.00
Management Rate		
Field Crops	percent/GR	7.00%
Vegetable Crops	percent/TOE	10.00%

TABLE 3. Overhead cost information for the Artesia-Lake Arthur area, Projected 2011.

Item		
Electricity (Domestic & Shop)		\$290.40 per month
Telephone		\$211.75 per month
Accounting & Legal		\$3,200
Misc. Supplies & Hand Tools		\$4,090
Pickup and Auto		
miles	24,200 @	\$0.500 per mile
Insurance		
- general liability (non-employee)		\$1,803
- fire/theft		\$2,716
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$0
Building repairs and maintenance		\$0
Dues, fees, publications		\$1,367
Farmstead Equipment		\$411
		Total
		<u>\$31,714</u>
Total Per Planted Acre		<u>\$63.43</u>

Table 5. Results from the 2000-2001 survey of the 1000 most common species

Species	Count	Percentage
Aspen	1000	100%
Birch	850	85%
Pine	700	70%
Maple	600	60%
Oak	500	50%
Spruce	400	40%
Fir	300	30%
Juniper	200	20%
Willow	150	15%
Alder	100	10%
Poplar	50	5%
Others	100	10%

Table 6. Results from the 2002-2003 survey of the 1000 most common species

Species	Count	Percentage
Aspen	1000	100%
Birch	900	90%
Pine	750	75%
Maple	650	65%
Oak	550	55%
Spruce	450	45%
Fir	350	35%
Juniper	250	25%
Willow	180	18%
Alder	120	12%
Poplar	60	6%
Others	110	11%

Species	Count	Percentage
Aspen	1000	100%
Birch	950	95%
Pine	800	80%
Maple	700	70%
Oak	600	60%
Spruce	500	50%
Fir	400	40%
Juniper	300	30%
Willow	200	20%
Alder	150	15%
Poplar	70	7%
Others	130	13%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

Species	Count	Percentage
Aspen	1000	100%
Birch	1000	100%
Pine	1000	100%
Maple	1000	100%
Oak	1000	100%
Spruce	1000	100%
Fir	1000	100%
Juniper	1000	100%
Willow	1000	100%
Alder	1000	100%
Poplar	1000	100%
Others	1000	100%

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Projected 2011.  
Planting dates: September 1 - September 30

ITEM	PRICE	QUANTITY	PURCHASED INPUTS				TOTAL	
<b>PURCHASED INPUTS</b>								
SEED	\$3.30	20 LBS					\$66.00	
HERBICIDE	\$32.40	1 ACRE					\$32.40	
PUMP WATER		8 AC. IN.						
SUBTOTAL							\$98.40	
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.48 HR		\$3.46	\$11.68	\$3.90	\$4.96	\$23.99
DISC (2X)	145 HP	0.34 HR		\$2.45	\$8.27	\$2.30	\$3.18	\$16.20
PLANE (3X)	145 HP	0.57 HR		\$4.10	\$13.87	\$2.33	\$10.08	\$30.38
DISC	145 HP	0.17 HR		\$1.22	\$4.14	\$1.15	\$1.59	\$8.10
FLOAT (2X)	70 HP	0.32 HR		\$2.30	\$5.75	\$0.67	\$2.70	\$11.42
DRILL (2X)	65 HP	0.42 HR		\$3.02	\$6.23	\$0.99	\$7.19	\$17.42
IRRIGATE (2X)		1.00 HR		\$7.25	\$6.59	\$1.45	\$2.32	\$17.61
SUBTOTAL		3.30 HR		\$23.81	\$56.53	\$12.78	\$32.01	\$125.13
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.46 HR		\$3.28				\$3.28
EMPLOYEE BENEFITS				\$4.29				\$4.29
INSURANCE			\$0.01					\$0.01
SUPERVISION AND MANAGEMENT				\$15.77				\$15.77
SUBTOTAL		0.46 HR	\$0.01	\$23.33				\$23.34
<b>TOTAL OPERATING EXPENSES</b>		3.76 HR	\$98.40	\$47.14	\$56.53	\$12.78	\$32.01	\$246.87

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Projected 2011.  
Harvesting dates: May 5 - November 1

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
ALFALFA HAY	\$165.00	6.50 TONS (STACKED)						\$1,072.50
GRAZING	\$40.00							\$40.00
<b>TOTAL</b>								<b>\$1,112.50</b>
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
INSECTICIDE (CUSTOM)	\$25.02	2 X/ACRE	\$50.05					\$50.05
HERBICIDE (CUSTOM)	\$36.36	1 ACRE	\$36.36					\$36.36
INSECT SCOUTING	\$5.25	1 ACRE	\$5.25					\$5.25
FERTILIZER (5-26-30)	\$0.21	200 LBS	\$42.00					\$42.00
WIRE	\$0.02	56 LBS	\$1.06					\$1.06
DRYING AGENT (AGRI-DRY)	\$8.26	1 /TON	\$53.66					\$53.66
ESTABLISHMENT: Principal		5 YEARS					\$49.37	\$49.37
Interest							\$10.13	\$10.13
PUMP WATER*		50 AC. IN.						
<b>SUBTOTAL</b>			<b>\$188.39</b>				<b>\$59.51</b>	<b>\$247.89</b>
<b>PREHARVEST OPERATIONS</b>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (7X)		3.50 HR		\$25.38	\$41.22	\$9.05	\$14.50	\$90.15
<b>SUBTOTAL</b>		<b>3.50 HR</b>		<b>\$25.38</b>	<b>\$41.22</b>	<b>\$9.05</b>	<b>\$14.50</b>	<b>\$90.15</b>
<b>HARVEST OPERATIONS</b>								
SWATHER (5X)	16 FT SP	0.55 HR		\$3.96	\$6.07	\$0.80	\$14.67	\$25.50
RAKE (5X)	40 HP	0.25 HR		\$1.80	\$2.85	\$0.51	\$3.02	\$8.18
BALER (5X)	96 HP	1.25 HR		\$9.00	\$22.46	\$2.78	\$6.45	\$40.69
BALE WAGON (5X)	SP	1.00 HR		\$7.20	\$23.64	\$20.37	\$9.12	\$60.33
<b>SUBTOTAL</b>		<b>3.05 HR</b>		<b>\$21.96</b>	<b>\$55.03</b>	<b>\$24.46</b>	<b>\$33.27</b>	<b>\$134.71</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.70 HR		\$5.04				\$5.04
EMPLOYEE BENEFITS				\$8.52				\$8.52
INSURANCE			\$0.01					\$0.01
LAND TAXES							\$1.75	\$1.75
SUPERVISION AND MANAGEMENT				\$78.21				\$78.21
OTHER EXPENSES			\$63.43					\$63.43
<b>SUBTOTAL</b>		<b>0.70 HR</b>	<b>\$63.44</b>	<b>\$91.77</b>			<b>\$1.75</b>	<b>\$156.96</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>7.25 HR</b>	<b>\$251.83</b>	<b>\$139.11</b>	<b>\$96.24</b>	<b>\$33.51</b>	<b>\$109.02</b>	<b>\$629.71</b>
<b>NET OPERATING PROFIT</b>								<b>\$482.79</b>
INTEREST ON OPERATING CAPITAL		( \$113.38 @ 7.50% )						\$8.50
INTEREST ON EQUIPMENT INVESTMENT								\$27.87
<b>RETURN TO LAND AND RISK</b>								<b>\$446.42</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$1,112.50	
VARIABLE OPERATING EXPENSES	\$381.58		
RETURN OVER VARIABLE EXPENSES	\$730.92	(GROSS MARGIN)	
FIXED EXPENSES	\$109.02		
NET FARM INCOME	\$621.90	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$139.11		
NET OPERATING PROFIT	\$482.79	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$36.37		
RETURN TO LAND AND RISK	\$446.42		

TABLE 8. Barley, flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Projected 2011.  
 Planting dates: August 20 - September 30  
 Harvesting dates: June 15 - July 1

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
BARLEY	\$6.12	35.00 CWT						\$214.20
DIRECT PAYMENT	\$0.00	35.00 CWT						\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00
GRAZING	\$40.00							\$40.00
<b>TOTAL</b>								<b>\$254.20</b>
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.28	110 LBS	\$30.80					\$30.80
NITROGEN (N)	\$0.71	150 LBS	\$106.50					\$106.50
INSECTICIDE (CUSTOM)	\$20.01	1 ACRE	\$20.01					\$20.01
PUMP WATER*		28 AC. IN.						
CROP INSURANCE	\$2.94		\$2.94					\$2.94
<b>SUBTOTAL</b>			<b>\$160.25</b>					<b>\$160.25</b>
<b>PREHARVEST OPERATIONS</b>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.48 HR		\$3.46	\$11.68	\$3.90	\$4.96	\$23.99
DISC	145 HP	0.17 HR		\$1.22	\$4.14	\$1.15	\$1.59	\$8.10
FLOAT	70 HP	0.16 HR		\$1.15	\$2.87	\$0.33	\$1.35	\$5.71
FERTILIZE	DEALER APPLIED							
DRILL	70 HP	0.21 HR		\$1.51	\$3.77	\$0.66	\$4.73	\$10.67
IRRIGATE (4X)		2.00 HR		\$14.50	\$23.08	\$5.07	\$8.12	\$50.77
<b>SUBTOTAL</b>		<b>3.02 HR</b>		<b>\$21.84</b>	<b>\$45.55</b>	<b>\$11.11</b>	<b>\$20.75</b>	<b>\$99.25</b>
<b>HARVEST OPERATIONS</b>								
COMBINE (CUSTOM)			\$17.91					\$17.91
HAUL (CUSTOM)			\$7.00					\$7.00
<b>SUBTOTAL</b>			<b>\$24.91</b>					<b>\$24.91</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.22 HR		\$1.55				\$1.55
EMPLOYEE BENEFITS				\$3.93				\$3.93
INSURANCE			\$0.01				\$0.01	
LAND TAXES						\$1.75	\$1.75	
SUPERVISION AND MANAGEMENT				\$17.96				\$17.96
OTHER EXPENSES			\$63.43				\$63.43	
<b>SUBTOTAL</b>		<b>0.22 HR</b>	<b>\$63.43</b>	<b>\$23.44</b>			<b>\$1.75</b>	<b>\$88.62</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>3.24 HR</b>	<b>\$248.59</b>	<b>\$45.28</b>	<b>\$45.55</b>	<b>\$11.11</b>	<b>\$22.49</b>	<b>\$373.03</b>
<b>NET OPERATING PROFIT</b>								<b>(\$118.83)</b>
INTEREST ON OPERATING CAPITAL		( \$96.36 @ 7.50% )						\$7.23
INTEREST ON EQUIPMENT INVESTMENT								\$9.82
<b>RETURN TO LAND AND RISK</b>								<b>(\$135.87)</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$254.20	
VARIABLE OPERATING EXPENSES	\$305.25		
RETURN OVER VARIABLE EXPENSES		(\$51.05)	(GROSS MARGIN)
FIXED EXPENSES	\$22.49		
NET FARM INCOME		(\$73.54)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$45.28		
NET OPERATING PROFIT		(\$118.83)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$17.05		
<b>RETURN TO LAND AND RISK</b>		<b>(\$135.87)</b>	

TABLE 9. Oat hay, flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Projected 2011.  
Planting dates: February 1 - February 28  
Harvesting dates: June 1 - June 30

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
OAT HAY	\$125.00	3.50 TONS (STACKED)						\$437.50
<b>TOTAL</b>								<b>\$437.50</b>
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.38	100 LBS	\$38.00					\$38.00
FERTILIZER (16-20-0)	\$0.17	150 LBS	\$25.50					\$25.50
PUMP WATER*		28 AC. IN.						
<b>SUBTOTAL</b>			<b>\$63.50</b>					<b>\$63.50</b>
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.48 HR		\$3.46	\$11.68	\$3.90	\$4.96	\$23.99
DISC	145 HP	0.34 HR		\$2.45	\$8.27	\$2.30	\$3.18	\$16.20
FLOAT	70 HP	0.16 HR		\$1.15	\$2.87	\$0.33	\$1.35	\$5.71
FERTILIZE (CUSTOM)			\$0.00					\$0.00
DRILL	70 HP	0.21 HR		\$1.51	\$3.77	\$0.66	\$4.73	\$10.67
IRRIGATE (4X)		2.00 HR		\$14.50	\$23.08	\$5.07	\$8.12	\$50.77
<b>SUBTOTAL</b>		<b>3.19 HR</b>		<b>\$23.07</b>	<b>\$49.68</b>	<b>\$12.26</b>	<b>\$22.34</b>	<b>\$107.35</b>
<b>HARVEST OPERATIONS</b>								
SWATHER	16 FT	0.11 HR		\$0.79	\$1.21	\$0.16	\$2.93	\$5.10
BALER	126 HP	0.25 HR		\$1.80	\$6.08	\$1.03	\$2.06	\$10.97
BALE WAGON	S. P.	0.20 HR		\$1.44	\$4.73	\$4.07	\$1.82	\$12.07
<b>SUBTOTAL</b>		<b>0.56 HR</b>		<b>\$4.03</b>	<b>\$12.03</b>	<b>\$5.26</b>	<b>\$6.81</b>	<b>\$28.14</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.40 HR		\$2.86				\$2.86
EMPLOYEE BENEFITS				\$4.88				\$4.88
INSURANCE			\$0.01					\$0.01
LAND TAXES							\$1.75	\$1.75
SUPERVISION AND MANAGEMENT				\$30.82				\$30.82
OTHER EXPENSES			\$63.43					\$63.43
<b>SUBTOTAL</b>		<b>0.40 HR</b>	<b>\$63.44</b>	<b>\$38.56</b>			<b>\$1.75</b>	<b>\$103.74</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>4.15 HR</b>	<b>\$126.94</b>	<b>\$65.66</b>	<b>\$61.71</b>	<b>\$17.52</b>	<b>\$30.90</b>	<b>\$302.72</b>
<b>NET OPERATING PROFIT</b>								<b>\$134.78</b>
INTEREST ON OPERATING CAPITAL		( \$48.68 @ 7.50% )						\$3.65
INTEREST ON EQUIPMENT INVESTMENT								\$16.12
<b>RETURN TO LAND AND RISK</b>								<b>\$115.01</b>

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

GROSS RETURN		\$437.50	
VARIABLE OPERATING EXPENSES	\$206.17		
RETURN OVER VARIABLE EXPENSES		\$231.33	(GROSS MARGIN)
FIXED EXPENSES	\$30.90		
NET FARM INCOME		\$200.43	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$65.66		
NET OPERATING PROFIT		\$134.78	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$19.77		
RETURN TO LAND AND RISK		\$115.01	

TABLE 10. Upland cotton (picker), flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, 2002.  
 Planting dates: April 15 - May 15  
 Harvesting dates: October 15 - January 15

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
COTTON LINT	\$0.850	700 LBS						\$595.00
COTTON SEED	\$0.075	1,120 LBS						\$84.00
DIRECT PAYMENT	\$0.000	700 LBS						\$0.00
COUNTER CYCLICAL PAYMENT	\$0.087	700 LBS						\$61.11
TOTAL								\$740.11
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$2.15	15 LBS	\$32.25					\$32.25
FOLIAR FERTILIZER	\$4.80	1 X/ACRE	\$4.80					\$4.80
INSECT SCOUTING	\$5.25	1 ACRE	\$5.25					\$5.25
HERBICIDE (CUSTOM)	\$80.91	1 X/ACRE	\$80.91					\$80.91
INSECTICIDE (CUSTOM)	\$31.56	3 X/ACRE	\$31.56					\$31.56
CROP INSURANCE		FCIC	\$0.53					\$0.53
PUMP WATER*		30 AC. IN.						
SUBTOTAL			\$155.30					\$155.30
<b>PREHARVEST OPERATIONS</b>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.22	\$4.14	\$1.15	\$1.59	\$8.10
PLOW	145 HP	0.48 HR		\$3.46	\$11.68	\$3.90	\$4.96	\$23.99
DISC (2X)	145 HP	0.34 HR		\$2.45	\$8.27	\$2.30	\$3.18	\$16.20
FLOAT	145 HP	0.16 HR		\$1.15	\$3.89	\$0.64	\$1.32	\$7.01
LISTER	145 HP	0.18 HR		\$1.30	\$4.38	\$1.07	\$2.36	\$9.11
PRE-IRRIGATE		0.75 HR		\$5.44	\$6.18	\$1.36	\$2.18	\$15.15
CULTIVATOR	65 HP	0.21 HR		\$1.51	\$3.11	\$0.48	\$1.15	\$6.26
PLANTER	70 HP	0.26 HR		\$1.87	\$4.67	\$0.96	\$5.32	\$12.83
SLED	70 HP	0.15 HR		\$1.08	\$2.69	\$0.35	\$1.39	\$5.52
CULTIVATOR (3X)	65 HP	0.63 HR		\$4.54	\$9.34	\$1.44	\$3.45	\$18.77
HAND HOE (CUSTOM)			\$20.00					\$20.00
IRRIGATE (3X)		1.50 HR		\$10.88	\$18.55	\$4.07	\$6.53	\$40.02
SUBTOTAL		4.83 HR	\$20.00	\$34.89	\$76.92	\$17.73	\$33.43	\$182.96
<b>HARVEST OPERATIONS</b>								
COTTON PICKER (2X)	2-ROW	0.74 HR		\$5.33	\$13.20	\$12.68	\$158.22	\$189.43
HAUL (2X)	65 HP	1.00 HR		\$7.20	\$14.83	\$1.32	\$5.32	\$28.67
GIN COTTON (CUSTOM)			\$104.30					\$104.30
SUBTOTAL		1.74 HR	\$104.30	\$12.53	\$28.03	\$14.00	\$163.54	\$322.40
<b>POSTHARVEST OPERATIONS</b>								
SHREDDER	70 HP	0.14 HR		\$1.01	\$2.52	\$0.35	\$2.73	\$6.60
SUBTOTAL		0.14 HR		\$1.01	\$2.52	\$0.35	\$2.73	\$6.60
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.95 HR		\$6.82				\$6.82
EMPLOYEE BENEFITS				\$8.72				\$8.72
INSURANCE			\$0.02				\$0.02	
LAND TAXES						\$1.75	\$1.75	
SUPERVISION AND MANAGEMENT				\$52.08				\$52.08
OTHER EXPENSES			\$63.43				\$63.43	
SUBTOTAL		0.95 HR	\$63.44	\$67.62			\$1.75	\$132.81
TOTAL OPERATING EXPENSES		7.66 HR	\$343.04	\$116.04	\$107.46	\$32.08	\$201.44	\$800.07
NET OPERATING PROFIT								(\$59.96)
INTEREST ON OPERATING CAPITAL		( \$105.53 @	7.50%	)				\$7.91
INTEREST ON EQUIPMENT INVESTMENT								\$108.28
RETURN TO LAND AND RISK								(\$176.16)

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

GROSS RETURN		\$740.11	
VARIABLE OPERATING EXPENSES	\$482.59		
RETURN OVER VARIABLE EXPENSES	\$257.52	(GROSS MARGIN)	
FIXED EXPENSES	\$201.44		
NET FARM INCOME	\$56.08	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$116.04		
NET OPERATING PROFIT	(\$59.96)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$116.20		
RETURN TO LAND AND RISK	(\$176.16)		



TABLE 11. Upland cotton (stripper), flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Projected 2011.  
 Planting dates: April 15 - May 15  
 Harvesting dates: October 15 - January 15

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
COTTON LINT	\$0.810	700	LBS					\$567.00
COTTON SEED	\$0.075	1,120	LBS					\$84.00
DIRECT PAYMENT	\$0.000	700	LBS					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.137	700	LBS					\$96.11
<b>TOTAL</b>								<b>\$747.11</b>
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$2.15	20	LBS	\$43.00				\$43.00
FOLIAR FERTILIZER	\$4.80	1	X/ACRE	\$4.80				\$4.80
INSECT SCOUTING	\$5.25	1	ACRE	\$5.25				\$5.25
HERBICIDE (CUSTOM)	\$45.34	1	X/ACRE	\$45.34				\$45.34
INSECTICIDE (CUSTOM)	\$33.18	3	X/ACRE	\$33.18				\$33.18
CROP INSURANCE			FCIC	\$0.74				\$0.74
PUMP WATER*		30	AC. IN.					
CROP INSURANCE	\$0.00			\$0.00				\$0.00
<b>SUBTOTAL</b>				<b>\$132.30</b>				<b>\$132.30</b>
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.22	\$4.14	\$1.15	\$1.59	\$8.10
PLOW	145 HP	0.48 HR		\$3.46	\$11.68	\$3.90	\$4.96	\$23.99
DISC (2X)	145 HP	0.34 HR		\$2.45	\$8.27	\$2.30	\$3.18	\$16.20
FLOAT	145 HP	0.16 HR		\$1.15	\$3.89	\$0.64	\$1.32	\$7.01
LIST	145 HP	0.18 HR		\$1.30	\$4.38	\$1.07	\$2.36	\$9.11
PRE-IRRIGATE		0.75 HR		\$5.44	\$6.18	\$1.36	\$2.18	\$15.15
CULTIVATOR	65 HP	0.21 HR		\$1.51	\$3.11	\$0.48	\$1.15	\$6.26
PLANTER	70 HP	0.26 HR		\$1.87	\$4.67	\$0.96	\$5.32	\$12.83
SLED	70 HP	0.15 HR		\$1.08	\$2.69	\$0.35	\$1.39	\$5.52
CULTIVATOR (3X)	65 HP	0.63 HR		\$4.54	\$9.34	\$1.44	\$3.45	\$18.77
HAND HOE (CUSTOM)			\$20.00					\$20.00
IRRIGATE (3X)		1.50 HR		\$10.88	\$18.55	\$4.07	\$6.53	\$40.02
<b>SUBTOTAL</b>		<b>4.83 HR</b>	<b>\$20.00</b>	<b>\$34.89</b>	<b>\$76.92</b>	<b>\$17.73</b>	<b>\$33.43</b>	<b>\$182.96</b>
<b>HARVEST OPERATIONS</b>								
COTTON STRIPPER	70 HP	0.62 HR		\$4.46	\$11.14	\$4.19	\$64.78	\$84.57
HAUL	65 HP	0.75 HR		\$5.40	\$11.12	\$0.99	\$3.99	\$21.50
GIN COTTON (CUSTOM)			\$134.89					\$134.89
<b>SUBTOTAL</b>		<b>1.37 HR</b>	<b>\$134.89</b>	<b>\$9.86</b>	<b>\$22.26</b>	<b>\$5.18</b>	<b>\$68.78</b>	<b>\$240.97</b>
<b>POSTHARVEST OPERATIONS</b>								
SHREDDER	70 HP	0.14 HR		\$0.56	\$2.52	\$0.35	\$2.73	\$6.15
<b>SUBTOTAL</b>		<b>0.14 HR</b>		<b>\$0.56</b>	<b>\$2.52</b>	<b>\$0.35</b>	<b>\$2.73</b>	<b>\$6.15</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.89 HR		\$6.43				\$6.43
EMPLOYEE BENEFITS				\$8.16				\$8.16
INSURANCE			\$0.01					\$0.01
LAND TAXES						\$1.75		\$1.75
SUPERVISION AND MANAGEMENT				\$52.51				\$52.51
OTHER EXPENSES			\$63.43					\$63.43
<b>SUBTOTAL</b>		<b>0.89 HR</b>	<b>\$63.44</b>	<b>\$67.09</b>			<b>\$1.75</b>	<b>\$132.28</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>7.23 HR</b>	<b>\$350.63</b>	<b>\$112.40</b>	<b>\$101.69</b>	<b>\$23.26</b>	<b>\$106.68</b>	<b>\$694.65</b>
<b>NET OPERATING PROFIT</b>								<b>\$52.46</b>
INTEREST ON OPERATING CAPITAL		(	\$92.81	@	7.50%	)		\$6.96
INTEREST ON EQUIPMENT INVESTMENT								\$59.83
<b>RETURN TO LAND AND RISK</b>								<b>(\$14.33)</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$747.11	
VARIABLE OPERATING EXPENSES	\$475.58		
RETURN OVER VARIABLE EXPENSES	\$271.53	(GROSS MARGIN)	
FIXED EXPENSES	\$106.68		
NET FARM INCOME	\$164.86	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$112.40		
NET OPERATING PROFIT	\$52.46	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$66.79		
RETURN TO LAND AND RISK		(\$14.33)	

TABLE 12. Red chile, flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Projected 2011.

Planting dates: April 1 - April 15  
Harvesting dates: September 1 - October 30

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
RED CHILE	\$1.00	3,200 LBS						\$3,200.00
<b>TOTAL</b>							<b>\$3,200.00</b>	
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$22.00	8 LBS	\$176.00					\$176.00
NITROGEN (N)	\$0.71	120 LBS	\$85.20					\$85.20
PHOSPHATE (P205)	\$0.65	70 LBS	\$45.50					\$45.50
HERBICIDE (CUSTOM)	\$34.59	1 X/ACRE	\$34.59					\$34.59
INSECTICIDE (CUSTOM)	\$40.88	3 X/ACRE	\$40.88					\$40.88
CROP INSURANCE		400 DOLLARS	\$20.00					\$20.00
NOVA CHEMICAL APPLICATION	\$4.30	0 AI OZ PER ACRE	\$0.00					\$0.00
PUMP WATER*		48 AC. IN.						
<b>SUBTOTAL</b>			<b>\$402.17</b>					<b>\$402.17</b>
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.48 HR		\$3.46	\$11.68	\$3.90	\$4.96	\$23.99
DISC (2X)	145 HP	0.34 HR		\$2.45	\$8.27	\$2.30	\$3.18	\$16.20
PLANE	145 HP	0.16 HR		\$1.15	\$3.89	\$0.65	\$2.83	\$8.53
FERTILIZE	DEALER APPLIED							
LIST	145 HP	0.18 HR		\$1.30	\$4.38	\$1.07	\$2.36	\$9.11
PRE-IRRIGATE		0.75 HR		\$5.44	\$4.95	\$1.09	\$1.74	\$13.21
CULTIVATOR	65 HP	0.21 HR		\$1.51	\$3.11	\$0.48	\$1.15	\$6.26
PLANTER	70 HP	0.26 HR		\$1.87	\$4.67	\$0.96	\$5.32	\$12.83
CULTIVATOR (5X)	65 HP	1.05 HR		\$7.56	\$15.57	\$2.41	\$5.75	\$31.29
THIN (CUSTOM)			\$45.00					\$45.00
IRRIGATE (7X)		3.50 HR		\$25.38	\$34.62	\$7.60	\$12.18	\$79.78
HAND HOE (CUSTOM)			\$20.00					\$20.00
CHEMICAL APPLICATION (CUSTOM)			\$0.00					\$0.00
<b>SUBTOTAL</b>	<b>6.93 HR</b>		<b>\$65.00</b>	<b>\$50.11</b>	<b>\$91.15</b>	<b>\$20.46</b>	<b>\$39.47</b>	<b>\$266.20</b>
<b>HARVEST OPERATIONS</b>								
HAND PICK (CUSTOM)			\$640.00					\$640.00
FIELD HAUL	145 HP	0.90 HR		\$6.48	\$21.90	\$3.60	\$8.15	\$40.13
HAUL (CUSTOM)			\$96.00					\$96.00
<b>SUBTOTAL</b>	<b>0.90 HR</b>		<b>\$736.00</b>	<b>\$6.48</b>	<b>\$21.90</b>	<b>\$3.60</b>	<b>\$8.15</b>	<b>\$776.13</b>
<b>POSTHARVEST OPERATIONS</b>								
SHREDDER	70 HP	0.14 HR		\$1.01	\$2.52	\$0.35	\$2.73	\$6.60
<b>SUBTOTAL</b>	<b>0.14 HR</b>			<b>\$1.01</b>	<b>\$2.52</b>	<b>\$0.35</b>	<b>\$2.73</b>	<b>\$6.60</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.93 HR		\$6.70				\$6.70
EMPLOYEE BENEFITS				\$10.37				\$10.37
INSURANCE			\$0.02					\$0.02
LAND TAXES						\$1.75		\$1.75
SUPERVISION AND MANAGEMENT				\$224.41				\$224.41
OTHER EXPENSES			\$63.43					\$63.43
<b>SUBTOTAL</b>	<b>0.93 HR</b>		<b>\$63.45</b>	<b>\$241.47</b>			<b>\$1.75</b>	<b>\$306.66</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>8.90 HR</b>		<b>\$1,266.61</b>	<b>\$299.07</b>	<b>\$115.57</b>	<b>\$24.41</b>	<b>\$52.09</b>	<b>\$1,757.76</b>
<b>NET OPERATING PROFIT</b>								<b>\$1,442.24</b>
INTEREST ON OPERATING CAPITAL		( \$231.83 @		7.50%	)			\$17.39
INTEREST ON EQUIPMENT INVESTMENT								\$27.15
<b>RETURN TO LAND AND RISK</b>								<b>\$1,397.71</b>

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

GROSS RETURN		\$3,200.00	
VARIABLE OPERATING EXPENSES	#####		
RETURN OVER VARIABLE EXPENSES		\$1,793.41	(GROSS MARGIN)
FIXED EXPENSES	\$52.09		
NET FARM INCOME		\$1,741.31	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$299.07		
NET OPERATING PROFIT		\$1,442.24	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$44.53		
<b>RETURN TO LAND AND RISK</b>		<b>\$1,397.71</b>	

TABLE 13. Summary of per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Projected 2011.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	BARLEY	OAT HAY	PICKER COTTON	STRIPPER COTTON	RED CHILE
		TONS	CWT	TONS	LBS	LBS	LBS
PRIMARY YIELD		6.50	35.00	3.50	700.00	700.00	3200.00
PRIMARY PRICE		\$165.00	\$6.12	\$125.00	\$0.85	\$0.81	\$1.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$61.11	\$96.11	\$0.00
SECOND INCOME		\$40.00	\$40.00	\$0.00	\$84.00	\$84.00	\$0.00
GROSS RETURN		\$1,112.50	\$254.20	\$437.50	\$740.11	\$747.11	\$3,200.00
CASH OPERATING EXPENSES							
SEED	\$66.00		\$30.80	\$38.00	\$32.25	\$43.00	\$176.00
FERTILIZER		\$42.00	\$106.50	\$25.50	\$4.80	\$4.80	\$130.70
CHEMICALS	\$32.40	\$86.41	\$20.01		\$117.72	\$83.76	\$75.47
CROP INSURANCE			\$2.94		\$0.53	\$0.74	\$20.00
OTHER PURCHASED INPUTS		\$59.97					
CANAL WATER							
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$49.94	\$55.03	\$22.46	\$38.63	\$82.73	\$76.96	\$76.00
FUEL-IRRIGATION	\$6.59	\$41.22	\$23.08	\$23.08	\$24.73	\$24.73	\$39.57
REPAIRS	\$12.78	\$33.51	\$11.11	\$17.52	\$32.08	\$23.26	\$24.41
CUSTOM CHARGES			\$24.91		\$124.30	\$154.89	\$801.00
LAND TAXES		\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
OTHER EXPENSES	\$0.01	\$63.44	\$63.43	\$63.44	\$63.44	\$63.44	\$63.45
TOTAL CASH EXPENSES	\$167.72	\$383.32	\$306.99	\$207.92	\$484.33	\$477.32	\$1,408.34
RETURN OVER CASH EXPENSES	(\$167.72)	\$729.18	(\$52.79)	\$229.58	\$255.78	\$269.79	\$1,791.66
FIXED EXPENSES	\$32.01	\$107.28	\$20.75	\$29.15	\$199.69	\$104.93	\$50.35
TOTAL EXPENSES	\$199.73	\$490.60	\$327.74	\$237.07	\$684.03	\$582.25	\$1,458.69
NET FARM INCOME	(\$199.73)	\$621.90	(\$73.54)	\$200.43	\$56.08	\$164.86	\$1,741.31
LABOR AND MANAGEMENT COSTS	\$47.14	\$139.11	\$45.28	\$65.66	\$116.04	\$112.40	\$299.07
NET OPERATING PROFIT	(\$246.87)	\$482.79	(\$118.83)	\$134.78	(\$59.96)	\$52.46	\$1,442.24
CAPITAL COSTS							
INTEREST ON OPERATING CAPITAL		\$8.50	\$7.23	\$3.65	\$7.91	\$6.96	\$17.39
INTEREST ON EQUIPMENT INVESTMENT		\$27.87	\$9.82	\$16.12	\$108.28	\$59.83	\$27.15
TOTAL CAPITAL COSTS	\$0.00	\$36.37	\$17.05	\$19.77	\$116.20	\$66.79	\$44.53
RETURN TO LAND AND RISK	(\$246.87)	\$446.42	(\$135.87)	\$115.01	(\$176.16)	(\$14.33)	\$1,397.71

TABLE 14. Whole farm summary, Artesia-Lake Arthur area,  
Projected 2011.

GROSS RETURNS		
ALFALFA HAY	260 ACRES	
CROP		\$289,250
BARLEY	17 ACRES	
CROP		\$4,321
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
OAT HAY	20 ACRES	
CROP		\$8,750
PICKER COTTON	95 ACRES	
COTTON LINT		\$56,525
COTTON SEED		\$7,980
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$5,805
STRIPPER COTTON	68 ACRES	
COTTON LINT		\$38,556
COTTON SEED		\$5,712
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$6,535
RED CHILE	40 ACRES	
CROP		\$128,000
GROSS RETURN		<u>\$551,435</u>
CASH OPERATING EXPENSES		
SEED		\$17,743
FERTILIZER		\$19,251
CHEMICALS		\$44,390
CROP INSURANCE		\$950
OTHER PURCHASED INPUTS		\$15,593
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$34,191
FUEL-IRRIGATION		\$17,526
REPAIRS		\$15,522
CUSTOM CHARGES		\$54,804
LAND TAXES		\$873
OTHER EXPENSES		\$31,722
TOTAL CASH EXPENSES		<u>\$252,566</u>
RETURN OVER CASH EXPENSES		\$298,869
FIXED EXPENSES		\$45,776
TOTAL EXPENSES		\$298,342
NET FARM INCOME		\$253,094
LABOR AND MANAGEMENT COSTS		\$71,332
NET OPERATING PROFIT		\$181,762
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$4,328
INTEREST ON EQUIPMENT INVESTMENT		\$23,177
TOTAL CAPITAL COSTS		<u>\$27,504</u>
RETURN TO LAND AND RISK		<u>\$154,257</u>
LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$119,257	25.74%
\$2,500 /ACRE	\$66,757	12.48%
\$4,000 /ACRE	\$14,257	8.24%
\$5,500 /ACRE	(\$38,243)	6.15%

\* 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)