

TABLE 1. Acreage Summary, Eddy County, Carlsbad Basin area, Projected 2012.

BUDGET AREA.....	CARLSBAD BASIN, EDDY COUNTY
FARM SIZE.....	200 ACRES
IRRIGATION TYPE.....	FLOOD
NUMBER OF CROPS.....	6

ACREAGE SUMMARY:	WATER USE		
	LAND USE (ACRES)	AC. IN. PER ACRE	TOTAL AC. IN.
ALFALFA ESTABLISHMENT *	25.00	8	200
ALFALFA	100.00	48	4,800
BARLEY	4.25	20	85
ARP	0.00		
FLEX IN PICKER COTTON	0.75	22	17
PICKER COTTON	51.00	22	1,122
ARP	0.00		
FLEX IN PICKER COTTON	9.00	22	198
STRIPPER COTTON	0.00	0	0
ARP	0.00		
FLEX	0.00		0
SUDAN	10.00	24	240
RED CHILE	5.00	48	240
ROADS, DITCHES, BORDERS, HOMESTEAD	20.00		
TOTAL	200.00		6,902
ACRE FEET PER ACRE OF WATER RIGHTS			2.88

* DOUBLE-CROPPED

TABLE 2. Basic cost information for the Carlsbad Basin, Eddy County, Projected 2012.

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$7.80
General & Irrigators		\$/hour	\$7.50
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.89
Phosphate (P ₂ O ₅)		\$/pound	\$0.75
Canal water	3 AC. FT.	\$/acre	\$49.00
Wire		\$/lb.	\$0.84
Seed:			
Alfalfa		\$/pound	\$6.50
Cotton		\$/pound	\$8.00
Stripper		\$/pound	\$8.00
Barley		\$/pound	\$7.78
Sudan		\$/pound	\$0.65
Diesel fuel		\$/gallon	\$3.00
Gasoline		\$/gallon	\$3.80
Electricity		cents/KwHr	\$7.78
Natural Gas		\$/MCF	\$10.00
LP Gas		\$/gallon	\$2.75
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	7.00%
Land Interest Rate		percent	6.00%
Equipment Interest Rate		percent	7.00%
Real Interest Rate		percent	3.00%
Land Taxes		\$250.00 /acre (full value)	\$1.96
Personal Property Tax Rate - NR		\$/1,000 (Assessed Value)	\$23.52
- R			\$24.07
Supervision Factors			
Field Crop-Irrigation		\$/labor hour	\$1.00
Field Crop-Equipment & General		\$/labor hour	\$0.50
Vegetable Crop-Irrigation		\$/labor hour	\$2.90
Vegetable Crop-Equip & General		\$/labor hour	\$1.00
Management Rate			
Field Crops		percent/GR	7.00%
Vegetable Crops		percent/TOE	10.00%

TABLE 3. Overhead cost information for the Carlsbad Basin, Eddy County, Projected 2012.

Item				
Electricity (Domestic & Shop)			\$237.16 per month	\$2,846
Telephone			\$118.58 per month	\$1,423
Accounting & Legal				\$1,632
Misc. Supplies & Hand Tools				\$2,505
Pickup and Auto				
miles	24,200	@	\$0.500 per mile	\$12,100
Insurance				
- general liability (non-employee)				\$1,838
- fire/theft				\$1,483
Property Taxes				
- non-planted land				\$0
- other than land & machinery				\$6,010
Fixed Costs: Pump				\$1,610
Building repairs and maintenance				\$1,483
Dues, fees, publications				\$424
Farmstead Equipment				\$174
Total				\$33,529
Total Per Planted Acre				\$186.27

Account	Balance
1000	1000
1010	1010
1020	1020
1030	1030
1040	1040
1050	1050
1060	1060
1070	1070
1080	1080
1090	1090
1100	1100

Account	Balance
2000	2000
2010	2010
2020	2020
2030	2030
2040	2040
2050	2050
2060	2060
2070	2070
2080	2080
2090	2090
2100	2100

Account	Balance	Account	Balance
3000	3000	3000	3000
3010	3010	3010	3010
3020	3020	3020	3020
3030	3030	3030	3030
3040	3040	3040	3040
3050	3050	3050	3050
3060	3060	3060	3060
3070	3070	3070	3070
3080	3080	3080	3080
3090	3090	3090	3090
3100	3100	3100	3100

Account	Balance	Account	Balance
4000	4000	4000	4000
4010	4010	4010	4010
4020	4020	4020	4020
4030	4030	4030	4030
4040	4040	4040	4040
4050	4050	4050	4050
4060	4060	4060	4060
4070	4070	4070	4070
4080	4080	4080	4080
4090	4090	4090	4090
4100	4100	4100	4100

Account	Balance
5000	5000
5010	5010
5020	5020
5030	5030
5040	5040
5050	5050
5060	5060
5070	5070
5080	5080
5090	5090
5100	5100

Account	Balance
6000	6000
6010	6010
6020	6020
6030	6030
6040	6040
6050	6050
6060	6060
6070	6070
6080	6080
6090	6090
6100	6100

Account	Balance
7000	7000
7010	7010
7020	7020
7030	7030
7040	7040
7050	7050
7060	7060
7070	7070
7080	7080
7090	7090
7100	7100

Account	Balance
8000	8000
8010	8010
8020	8020
8030	8030
8040	8040
8050	8050
8060	8060
8070	8070
8080	8080
8090	8090
8100	8100

Account	Balance
9000	9000
9010	9010
9020	9020
9030	9030
9040	9040
9050	9050
9060	9060
9070	9070
9080	9080
9090	9090
9100	9100

Account	Balance
10000	10000
10010	10010
10020	10020
10030	10030
10040	10040
10050	10050
10060	10060
10070	10070
10080	10080
10090	10090
10100	10100

Account	Balance
11000	11000
11010	11010
11020	11020
11030	11030
11040	11040
11050	11050
11060	11060
11070	11070
11080	11080
11090	11090
11100	11100

Account	Balance
12000	12000
12010	12010
12020	12020
12030	12030
12040	12040
12050	12050
12060	12060
12070	12070
12080	12080
12090	12090
12100	12100

Account	Balance
13000	13000
13010	13010
13020	13020
13030	13030
13040	13040
13050	13050
13060	13060
13070	13070
13080	13080
13090	13090
13100	13100

Account	Balance
14000	14000
14010	14010
14020	14020
14030	14030
14040	14040
14050	14050
14060	14060
14070	14070
14080	14080
14090	14090
14100	14100

Account	Balance
15000	15000
15010	15010
15020	15020
15030	15030
15040	15040
15050	15050
15060	15060
15070	15070
15080	15080
15090	15090
15100	15100

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2012.
Planting dates: August 20 - September 30

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
SEED	6.50	25.00 LBS						\$162.50
CANAL WATER	49.00	8.00 AC. IN.						\$392.00
PUMP WATER		0.00 AC. IN.						
SUBTOTAL								\$554.50
PURCHASED INPUTS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.33	\$4.21	\$1.15	\$3.02	\$9.70
PLOW	145 HP	0.67 HR		\$5.23	\$16.58	\$5.44	\$12.25	\$39.50
DISC (3X)	145 HP	0.51 HR		\$3.98	\$12.62	\$3.45	\$9.05	\$29.10
LASER (CUSTOM)			\$73.33					\$73.33
RIPPER	145 HP	0.27 HR		\$2.11	\$6.68	\$1.32	\$35.57	\$45.67
DISC	145 HP	0.17 HR		\$1.33	\$4.21	\$1.15	\$3.02	\$9.70
DRAG	96 HP	0.17 HR		\$1.33	\$3.93	\$0.35	\$1.63	\$7.25
BORDER DISC (2X)	27 HP	0.10 HR		\$0.78	\$1.42	\$0.15	\$0.59	\$2.94
DRILL	96 HP	0.21 HR		\$1.64	\$4.86	\$0.66	\$13.25	\$20.40
IRRIGATE (2X)		1.00 HR		\$7.50	\$0.00	\$0.00	\$0.00	\$7.50
SUBTOTAL		3.27 HR	\$73.33	\$25.21	\$54.51	\$13.67	\$78.37	\$245.09
OVERHEAD EXPENSES								
DOWNTIME		0.57 HR		\$4.43				\$4.43
EMPLOYEE BENEFITS				\$4.54				\$4.54
INSURANCE			\$0.50					\$0.50
SUPERVISION AND MANAGEMENT				\$30.67				\$30.67
SUBTOTAL		0.57 HR	\$0.50	\$39.63				\$40.13
TOTAL OPERATING EXPENSES		3.84 HR	\$628.33	\$64.84	\$54.51	\$13.67	\$78.37	\$447.72

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2012.
Harvesting dates: May 20 - October 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	\$265.00	6.0 TONS (STACKED)	\$1,590.00
GRAZING	\$10.00	1.0 ACRE	\$10.00
TOTAL			\$1,600.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
NITROGEN (N)	\$0.89	36 LBS	\$32.04		\$32.04
PHOSPHATE (P205)	\$0.75	92 LBS	\$69.00		\$69.00
INSECTICIDE (CUSTOM)	\$27.53	1 X/ACRE	\$27.53		\$27.53
HERBICIDE (CUSTOM)	\$26.23	1 X/ACRE	\$26.23		\$26.23
WIRE	\$0.84	51 LBS	\$42.84		\$42.84
ESTABLISHMENT: Principal		4 YEARS		\$111.93	\$111.93
: Interest				\$16.71	\$16.71
CANAL WATER		48 AC. IN.	\$49.00		\$49.00
PUMP WATER*		0 AC. IN.			\$0.00
SUBTOTAL			\$246.64	\$128.64	\$375.28

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
BORDER DISC (6X)	27 HP	0.30 HR		\$2.34	\$4.26	\$0.44	\$1.77	\$8.81
FERTILIZE	DEALER APPLIED							
IRRIGATE (8X)		4.00 HR		\$30.00	\$0.00	\$0.00	\$0.00	\$30.00
SUBTOTAL		4.30 HR		\$32.34	\$4.26	\$0.44	\$1.77	\$38.81

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER (6X)	14 FT SP	0.80 HR		\$6.24	\$8.99	\$0.46	\$15.64	\$31.33
RAKE (4X)	96 HP	0.48 HR		\$3.74	\$11.11	\$1.20	\$5.33	\$21.38
BALER (6X)	145 HP	1.26 HR		\$9.83	\$31.18	\$5.28	\$20.38	\$66.67
BALEWAGON			\$57.60					\$57.60
SUBTOTAL		2.54 HR	\$57.60	\$19.81	\$51.27	\$6.95	\$41.34	\$176.98

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.71 HR		\$5.54				\$5.54
EMPLOYEE BENEFITS			\$9.39				\$9.39
INSURANCE		\$1.04					\$1.04
LAND TAXES						\$1.96	\$1.96
SUPERVISION AND MANGEMENT			\$117.42				\$117.42
OTHER EXPENSES		\$186.27					\$186.27
SUBTOTAL	0.71 HR	\$187.31	\$132.35			\$1.96	\$321.62

TOTAL OPERATING EXPENSES	7.55 HR	\$491.55	\$184.50	\$55.54	\$7.38	\$173.71	\$912.68
NET OPERATING PROFIT							\$687.32
INTEREST ON OPERATING CAPITAL	(\$129.35	@	7.00%)		\$9.05
INTEREST ON EQUIPMENT INVESTMENT							\$32.26
RETURN TO LAND AND RISK							\$646.01

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

BUDGET SUMMARY

GROSS RETURN		\$1,600.00	
VARIABLE OPERATING EXPENSES	\$554.47		
RETURN OVER VARIABLE EXPENSES	\$1,045.53	(GROSS MARGIN)	
FIXED EXPENSES	\$173.71		
NET FARM INCOME	\$871.82	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$184.50		
NET OPERATING PROFIT	\$687.32	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$41.31		
RETURN TO LAND AND RISK		\$646.01	

TABLE 8. Barley, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2012.
Planting dates: August 20 - September 30
Harvesting dates: June 15 - July 1

ITEM	PRICE	YIELD	BASE						TOTAL
GROSS RETURNS									
BARLEY	\$6.12	25.0 CWT							\$153.00
DIRECT PAYMENT	\$0.00	25.0 CWT	0.85						\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00								\$0.00
GRAZING	\$40.00	1.0 ACRE							\$40.00
TOTAL									\$193.00
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
SEED	\$0.41	110 LBS	\$45.10						\$45.10
NITROGEN (N)	\$0.89	40 LBS	\$35.60						\$35.60
HERBICIDE	\$14.11	1 X/ACRE	\$14.11						\$14.11
CANAL WATER		20 AC. IN.	\$49.00						\$49.00
PUMP WATER*		0 AC. IN.							\$0.00
CROP INSURANCE	\$11.76		\$11.76						\$11.76
SUBTOTAL			\$155.57						\$155.57
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
PLOW	145 HP	0.67 HR		\$5.23	\$16.58	\$5.44	\$12.25	\$39.50	
DISC (2X)	145 HP	0.34 HR		\$2.65	\$8.41	\$2.30	\$6.04	\$19.40	
DRAG	96 HP	0.17 HR		\$1.33	\$3.93	\$0.35	\$1.63	\$7.25	
BORDER DISC	27 HP	0.05 HR		\$0.39	\$0.71	\$0.07	\$0.30	\$1.47	
DRILL	96 HP	0.21 HR		\$1.64	\$4.86	\$0.66	\$13.25	\$20.40	
IRRIGATE (5X)		2.50 HR		\$18.75	\$0.00	\$0.00	\$0.00	\$18.75	
SUBTOTAL		3.94 HR		\$29.98	\$34.50	\$8.83	\$33.46	\$106.77	
HARVEST OPERATIONS									
COMBINE (CUSTOM)			\$14.68					\$14.68	
HAUL (CUSTOM)			\$7.80					\$7.80	
SUBTOTAL			\$22.48					\$22.48	
OVERHEAD EXPENSES									
DOWNTIME		0.36 HR		\$2.81				\$2.81	
EMPLOYEE BENEFITS				\$5.40				\$5.40	
INSURANCE			\$0.60				\$0.60		
LAND TAXES							\$1.96		
SUPERVISION AND MANGEMENT				\$13.93				\$13.93	
OTHER EXPENSES			\$186.27					\$186.27	
SUBTOTAL		0.36 HR	\$186.87	\$22.13				\$1.96	
TOTAL OPERATING EXPENSES		4.30 HR	\$364.92	\$52.12	\$34.50	\$8.83	\$35.42	\$495.78	
NET OPERATING PROFIT								(\$302.78)	
INTEREST ON OPERATING CAPITAL		(\$90.49 @	7.00%)				\$6.33	
INTEREST ON EQUIPMENT INVESTMENT								\$19.73	
RETURN TO LAND AND RISK								(\$328.85)	

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

BUDGET SUMMARY

GROSS RETURN		\$193.00	
VARIABLE OPERATING EXPENSES	\$408.24		
RETURN OVER VARIABLE EXPENSES	(\$215.24)	(GROSS MARGIN)	
FIXED EXPENSES	\$35.42		
NET FARM INCOME	(\$250.66)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$52.12		
NET OPERATING PROFIT	(\$302.78)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$26.07		
RETURN TO LAND AND RISK		(\$328.85)	

TABLE 9. Sudan, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2012.
Planting Dates: August 20 - September 30
Harvesting dates: June 15 - July 1

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GRAZING	\$245.00	0 TON	(STACKED)					\$0.00
TOTAL								\$0.00
<hr/>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.65	25 LBS	\$16.25					\$16.25
NITROGEN (N)	\$0.89	250 LBS	\$222.50					\$222.50
PHOSPHATE (P2O5)	\$0.75	60 LBS	\$45.00					\$45.00
CANAL WATER		24 AC. IN.	\$49.00					\$49.00
PUMP WATER*		0 AC. IN.						\$0.00
SUBTOTAL			\$332.75					\$332.75
<hr/>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.67 HR		\$5.23	\$16.58	\$5.44	\$12.25	\$39.50
DISC (2X)	145 HP	0.28 HR		\$2.18	\$6.93	\$1.89	\$4.97	\$15.98
DRAG	96 HP	0.17 HR		\$1.33	\$3.93	\$0.35	\$1.63	\$7.25
BORDER DISC	27 HP	0.05 HR		\$0.39	\$0.71	\$0.07	\$0.30	\$1.47
DRILL	96 HP	0.21 HR		\$1.64	\$4.86	\$0.66	\$13.25	\$20.40
IRRIGATE (6X)		3.00 HR		\$22.50	\$0.00	\$0.00	\$0.00	\$22.50
SUBTOTAL		4.38 HR		\$33.26	\$33.01	\$8.42	\$32.39	\$107.09
<hr/>								
OVERHEAD EXPENSES								
DOWNTIME		0.35 HR		\$2.69				\$2.69
EMPLOYEE BENEFITS				\$5.99				\$5.99
INSURANCE			\$0.67					\$0.67
LAND TAXES							\$1.96	\$1.96
SUPERVISION AND MANGEMENT				\$3.69				\$3.69
OTHER EXPENSES			\$186.27					\$186.27
SUBTOTAL		0.35 HR	\$186.93	\$12.37			\$1.96	\$201.26
TOTAL OPERATING EXPENSES		4.73 HR	\$519.68	\$45.63	\$33.01	\$8.42	\$34.35	\$641.11
NET OPERATING PROFIT								(\$641.11)
INTEREST ON OPERATING CAPITAL		(\$176.73 @	7.00%)				\$12.37
INTEREST ON EQUIPMENT INVESTMENT								\$19.00
RETURN TO LAND AND RISK								(\$672.48)

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

BUDGET SUMMARY

GROSS RETURN		\$0.00	
VARIABLE OPERATING EXPENSES	\$561.12		
RETURN OVER VARIABLE EXPENSES	(\$561.12)	(GROSS MARGIN)	
FIXED EXPENSES	\$34.35		
NET FARM INCOME	(\$595.47)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$45.63		
NET OPERATING PROFIT	(\$641.11)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$31.37		
RETURN TO LAND AND RISK	(\$672.48)		

TABLE 10. Upland cotton (picker), flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2012.
 Planting dates: April 15 - May 15
 Harvesting dates: October 15 - January 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
COTTON LINT	\$0.85	675 LBS		\$573.75
COTTON SEED	\$0.07	1,080 LBS		\$75.60
DIRECT PAYMENT	\$0.0000	675 LBS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	675 LBS	0.85	\$78.78
TOTAL				\$728.13

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$8.00	20 LBS	\$160.00		\$160.00
NITROGEN (N)	\$0.89	20 LBS	\$17.80		\$17.80
PHOSPHATE (P205)	\$0.75	40 LBS	\$30.00		\$30.00
HERBICIDE	\$13.22	1 ACRE	\$13.22		\$13.22
INSECTICIDE (CUSTOM)	\$27.39	2 X/ACRE	\$54.78		\$54.78
CROP INSURANCE		FCIC	\$0.82		\$0.82
CANAL WATER		22 AC. IN.	\$49.00		\$49.00
PUMP WATER*		0 AC. IN.			\$0.00
SUBTOTAL			\$325.63		\$325.63

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.67 HR		\$5.23	\$16.58	\$5.44	\$12.25	\$39.50
DISC	145 HP	0.17 HR		\$1.33	\$4.21	\$1.15	\$3.02	\$9.70
DRAG	96 HP	0.17 HR		\$1.33	\$3.93	\$0.35	\$1.63	\$7.25
DISC & SPRAY	145 HP	0.20 HR		\$1.56	\$4.95	\$1.35	\$3.55	\$11.41
LISTER	96 HP	0.18 HR		\$1.40	\$4.17	\$0.73	\$4.81	\$11.11
FERTILIZE	DEALER APPLIED							
PRE-IRRIGATE		0.75 HR		\$5.63	\$0.00	\$0.00	\$0.00	\$5.63
ROLLING CULTIVATOR	96 HP	0.21 HR		\$1.64	\$4.86	\$0.96	\$6.25	\$13.70
PLANTER	96 HP	0.26 HR		\$2.03	\$6.02	\$0.96	\$12.73	\$21.74
CULTIVATOR (4X)	27 HP	0.84 HR		\$6.55	\$11.94	\$6.11	\$14.84	\$39.44
HOEING			\$20.00					\$20.00
IRRIGATE (3X)		1.50 HR		\$11.25	\$0.00	\$0.00	\$0.00	\$11.25
SUBTOTAL		4.95 HR	\$20.00	\$37.94	\$56.65	\$17.06	\$59.07	\$190.72

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COTTON PICKER (CUSTOM)			\$101.05					\$101.05
HAUL	80 HP	0.50 HR		\$3.90	\$11.57	\$1.05	\$7.54	\$24.06
GIN COTTON (CUSTOM)			\$101.05					\$101.05
SUBTOTAL		0.50 HR	\$202.10	\$3.90	\$11.57	\$1.05	\$7.54	\$226.15

POSTHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SHREDDER	80 HP	0.29 HR		\$2.26	\$6.71	\$0.66	\$4.89	\$14.53
SUBTOTAL		0.29 HR		\$2.26	\$6.71	\$0.66	\$4.89	\$14.53

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.83 HR		\$6.47				\$6.47
EMPLOYEE BENEFITS			\$7.94				\$7.94
INSURANCE		\$0.88					\$0.88
LAND TAXES						\$1.96	\$1.96
SUPERVISION AND MANGEMENT			\$54.88				\$54.88
OTHER EXPENSES		\$186.27					\$186.27
SUBTOTAL	0.83 HR	\$187.15	\$69.29			\$1.96	\$258.40

TOTAL OPERATING EXPENSES	6.57 HR	\$734.88	\$113.39	\$74.93	\$18.77	\$73.46	\$1,015.43
--------------------------	---------	----------	----------	---------	---------	---------	------------

NET OPERATING PROFIT (\$287.30)

INTEREST ON OPERATING CAPITAL	(\$184.14 @ 7.00%)	\$12.89
INTEREST ON EQUIPMENT INVESTMENT		\$45.50

RETURN TO LAND AND RISK (\$345.69)

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

BUDGET SUMMARY			
GROSS RETURN		\$728.13	
VARIABLE OPERATING EXPENSES	\$828.58		
RETURN OVER VARIABLE EXPENSES	(\$100.45)	(GROSS MARGIN)	
FIXED EXPENSES	\$73.46		
NET FARM INCOME	(\$173.91)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$113.39		
NET OPERATING PROFIT	(\$287.30)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$58.39		
RETURN TO LAND AND RISK	(\$345.69)		

TABLE 11. Upland cotton (stripper), flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2012.
 Planting dates: April 15 - May 15
 Harvesting dates: October 15 - January 15

ITEM	PRICE	YIELD	BASE						TOTAL
GROSS RETURNS									
COTTON LINT	\$0.81	675 LBS							\$546.75
COTTON SEED	\$0.07	1,080 LBS							\$75.60
DIRECT PAYMENT	\$0.0000	675 LBS	0.85						\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	675 LBS	0.85						\$78.78
TOTAL									\$701.13
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
SEED	\$8.00	20 LBS	\$160.00					\$160.00	
NITROGEN (N)	\$0.89	20 LBS	\$17.80					\$17.80	
PHOSPHATE (P205)	\$0.75	40 LBS	\$30.00					\$30.00	
HERBICIDE	\$13.22	1 X/ACRE	\$13.22					\$13.22	
INSECTICIDE (CUSTOM)	\$25.95	2 X/ACRE	\$51.89					\$51.89	
CROP INSURANCE		FCIC	\$8.69					\$8.69	
CANAL WATER		22 AC. IN.	\$49.00					\$49.00	
PUMP WATER*		0 AC. IN.						\$0.00	
SUBTOTAL			\$330.60					\$330.60	
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
PLOW	145 HP	0.67 HR		\$5.23	\$16.58	\$5.44	\$12.25	\$39.50	
DISC	145 HP	0.17 HR		\$1.33	\$4.21	\$1.15	\$3.02	\$9.70	
DRAG	96 HP	0.17 HR		\$1.33	\$3.93	\$0.35	\$1.63	\$7.25	
DISC & SPRAY	145 HP	0.20 HR		\$1.56	\$4.95	\$1.35	\$3.55	\$11.41	
LISTER	96 HP	0.18 HR		\$1.40	\$4.17	\$0.73	\$4.81	\$11.11	
FERTILIZE	DEALER APPLIED								
PRE-IRRIGATE		0.75 HR		\$5.63	\$0.00	\$0.00	\$0.00	\$5.63	
ROLLING CULTIVATOR	96 HP	0.21 HR		\$1.64	\$4.86	\$0.96	\$6.25	\$13.70	
PLANTER	96 HP	0.26 HR		\$2.03	\$6.02	\$0.96	\$12.73	\$21.74	
CULTIVATOR (4X)	27 HP	0.84 HR		\$6.55	\$11.94	\$6.11	\$14.84	\$39.44	
IRRIGATE (2X)		1.00 HR		\$7.50	\$0.00	\$0.00	\$0.00	\$7.50	
SUBTOTAL		4.45 HR		\$34.19	\$56.65	\$17.06	\$59.07	\$166.97	
HARVEST OPERATIONS									
COTTON STRIPPER (CUSTOM)			\$121.10					\$121.10	
HAUL	96 HP	0.75 HR		\$5.85	\$17.36	\$1.58	\$11.31	\$36.09	
GIN COTTON (CUSTOM)			\$121.10					\$121.10	
SUBTOTAL		0.75 HR	\$242.19	\$5.85	\$17.36	\$1.58	\$11.31	\$278.28	
POSTHARVEST OPERATIONS									
SHREDDER	80 HP	0.29 HR		\$2.26	\$6.71	\$0.66	\$4.89	\$14.53	
SUBTOTAL		0.29 HR		\$2.26	\$6.71	\$0.66	\$4.89	\$14.53	
OVERHEAD EXPENSES									
DOWNTIME		0.94 HR		\$7.29				\$7.29	
EMPLOYEE BENEFITS				\$7.61				\$7.61	
INSURANCE			\$0.85					\$0.85	
LAND TAXES						\$1.96		\$1.96	
SUPERVISION AND MANGEMENT				\$52.36				\$52.36	
OTHER EXPENSES			\$186.27					\$186.27	
SUBTOTAL		0.94 HR	\$187.12	\$67.27			\$1.96	\$256.35	
TOTAL OPERATING EXPENSES		6.43 HR	\$759.91	\$109.57	\$80.72	\$19.30	\$77.23	\$1,046.72	
NET OPERATING PROFIT								(\$345.59)	
INTEREST ON OPERATING CAPITAL		(\$187.15	@	7.00%)		\$13.10	
INTEREST ON EQUIPMENT INVESTMENT								\$47.69	
RETURN TO LAND AND RISK								(\$406.39)	

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

GROSS RETURN		\$701.13	
VARIABLE OPERATING EXPENSES	\$859.92		
RETURN OVER VARIABLE EXPENSES		(\$158.80)	(GROSS MARGIN)
FIXED EXPENSES	\$77.23		
NET FARM INCOME		(\$236.02)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$109.57		
NET OPERATING PROFIT		(\$345.59)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$60.79		
RETURN TO LAND AND RISK		(\$406.39)	

TABLE 12. Red chile, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2012.
 Planting dates: April 1 - April 15
 Harvesting dates: September 1 - October 30

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
RED CHILE	\$1.00	3,200 LBS	\$3,200.00
TOTAL			\$3,200.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	38	8 LBS	\$304.00		\$304.00
NITROGEN (N)	0.89	200 LBS	\$178.00		\$178.00
PHOSPHATE (P205)	0.75	60 LBS	\$45.00		\$45.00
HERBICIDE (CUSTOM)	31.0784	1 X/ACRE	\$31.08		\$31.08
INSECTICIDE (CUSTOM)	44.48	1 X/ACRE	\$44.48		\$44.48
CROP INSURANCE		40 DOLLARS	\$40.00		\$40.00
CANAL WATER		48 AC. IN.	\$49.00		\$49.00
SUBTOTAL			\$691.56		\$691.56

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.33	\$4.21	\$1.15	\$3.02	\$9.70
PLOW	145 HP	0.48 HR		\$3.74	\$11.88	\$3.90	\$8.77	\$28.30
DISC (2X)	145 HP	0.34 HR		\$2.65	\$8.41	\$2.30	\$6.04	\$19.40
FLOAT	96 HP	0.16 HR		\$1.25	\$3.70	\$0.33	\$1.54	\$6.82
FERTILIZE (CUSTOM)	DEALER APPLIED							
LISTER	145 HP	0.18 HR		\$1.40	\$4.45	\$1.07	\$5.50	\$12.43
PRE-IRRIGATE		0.05 HR		\$0.38	\$0.00	\$0.00	\$28.99	\$29.36
CULTIVATOR	96 HP	0.21 HR		\$1.64	\$4.86	\$1.74	\$4.34	\$12.57
PLANTER	96 HP	0.26 HR		\$2.03	\$6.02	\$0.96	\$12.73	\$21.74
CULTIVATOR (2X)	27 HP	0.42 HR		\$3.28	\$5.97	\$3.06	\$7.42	\$19.72
THIN & HOE (2X)			\$80.00					\$80.00
IRRIGATE (7X)		3.50 HR		\$26.25	\$0.00	\$0.00	\$0.00	\$26.25
SUBTOTAL		5.60 HR	\$80.00	\$43.94	\$49.50	\$14.51	\$78.33	\$266.29

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
HAND PICK			\$640.00					\$640.00
FIELD HAUL	96 HP	1.00 HR		\$7.80	\$23.14	\$2.10	\$22.72	\$55.76
HAUL (CUSTOM)			\$96.00					\$96.00
SUBTOTAL		1.00 HR	\$736.00	\$7.80	\$23.14	\$2.10	\$22.72	\$791.76

POSTHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SHREDDER	27 HP	0.29 HR		\$2.26	\$4.12	\$0.37	\$4.03	\$10.78

OVERHEAD EXPENSES	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME		0.88 HR		\$6.84				\$6.84
EMPLOYEE BENEFITS				\$7.91				\$7.91
INSURANCE			\$0.88					\$0.88
LAND TAXES						\$1.96		\$1.96
SUPERVISION AND MANGEMENT				\$135.55				\$135.55
OTHER EXPENSES			\$186.27					\$186.27
SUBTOTAL		0.88 HR	\$187.15	\$150.31		\$1.96		\$339.41

TOTAL OPERATING EXPENSES		7.77 HR	\$1,694.71	\$204.31	\$76.76	\$16.98	\$107.04	\$2,099.80
--------------------------	--	---------	------------	----------	---------	---------	----------	------------

NET OPERATING PROFIT								\$1,100.20
----------------------	--	--	--	--	--	--	--	------------

INTEREST ON OPERATING CAPITAL		(\$427.76 @ 7.00%)						\$29.94
INTEREST ON EQUIPMENT INVESTMENT								\$242.65

RETURN TO LAND AND RISK								\$827.61
-------------------------	--	--	--	--	--	--	--	----------

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

BUDGET SUMMARY

GROSS RETURN		\$3,200.00	
VARIABLE OPERATING EXPENSES	\$1,788.45		
RETURN OVER VARIABLE EXPENSES		\$1,411.55	(GROSS MARGIN)
FIXED EXPENSES	\$107.04		
NET FARM INCOME		\$1,304.51	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$204.31		
NET OPERATING PROFIT		\$1,100.20	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$272.59		
RETURN TO LAND AND RISK		\$827.61	

TABLE 13. Summary of per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Eddy County, Projected 2012.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	BARLEY	SUDAN	PICKER COTTON	STRIPPER COTTON	RED CHILE
		TONS	CWT	ACRE	LBS	LBS	CWT
PRIMARY YIELD		6.00	25.00	0.00	675.00	0.00	3,200.00
PRIMARY PRICE		\$265.00	\$6.12	\$245.00	\$0.85	\$0.00	\$1.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$78.78	\$0.00	\$0.00
SECOND INCOME		\$10.00	\$40.00	\$0.00	\$75.60	\$0.00	\$0.00
GROSS RETURN		\$1,600.00	\$193.00	\$0.00	\$728.13	\$0.00	\$3,200.00
CASH OPERATING EXPENSES							
SEED	\$162.50		\$45.10	\$16.25	\$160.00	\$0.00	\$304.00
FERTILIZER		\$101.04	\$35.60	\$267.50	\$47.80	\$0.00	\$223.00
CHEMICALS		\$53.76	\$14.11		\$68.01	\$0.00	\$75.56
CROP INSURANCE			\$11.76		\$0.82	\$0.00	\$40.00
OTHER PURCHASED INPUTS		\$42.84					
CANAL WATER	\$392.00	\$49.00	\$49.00	\$49.00	\$49.00	\$0.00	\$49.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$54.51	\$55.54	\$34.50	\$33.01	\$74.93	\$0.00	\$76.76
FUEL-IRRIGATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
REPAIRS	\$13.67	\$7.38	\$8.83	\$8.42	\$18.77	\$0.00	\$16.98
CUSTOM CHARGES	\$73.33	\$57.60	\$22.48		\$222.10	\$0.00	\$816.00
LAND TAXES		\$1.96	\$1.96	\$1.96	\$1.96	\$0.00	\$1.96
OTHER EXPENSES	\$0.50	\$187.31	\$186.87	\$186.93	\$187.15	\$0.00	\$187.15
TOTAL CASH EXPENSES	\$696.51	\$556.43	\$410.20	\$563.08	\$830.54	\$0.00	\$1,790.41
RETURN OVER CASH EXPENSES	(\$696.51)	\$1,043.57	(\$217.20)	(\$563.08)	(\$102.41)	\$0.00	\$1,409.59
FIXED EXPENSES	\$78.37	\$171.75	\$33.46	\$32.39	\$71.50	\$0.00	\$105.08
TOTAL EXPENSES	\$774.89	\$728.18	\$443.66	\$595.47	\$902.04	\$0.00	\$1,895.49
NET FARM INCOME	(\$774.89)	\$871.82	(\$250.66)	(\$595.47)	(\$173.91)	\$0.00	\$1,304.51
LABOR AND MANAGEMENT COSTS	\$64.84	\$184.50	\$52.12	\$45.63	\$113.39	\$0.00	\$204.31
NET OPERATING PROFIT	(\$839.72)	\$687.32	(\$302.78)	(\$641.11)	(\$287.30)	\$0.00	\$1,100.20
CAPITAL COSTS							
INTEREST ON OPERATING CAPITAL		\$9.05	\$6.33	\$12.37	\$12.89	\$0.00	\$29.94
INTEREST ON EQUIPMENT INVESTMENT		\$32.26	\$19.73	\$19.00	\$45.50	\$0.00	\$242.65
TOTAL CAPITAL COSTS	\$0.00	\$41.31	\$26.07	\$31.37	\$58.39	\$0.00	\$272.59
RETURN TO LAND AND RISK	(\$839.72)	\$646.01	(\$328.85)	(\$672.48)	(\$345.69)	\$0.00	\$827.61

TABLE 14. Whole farm budget summary, Carlsbad Basin, Eddy County,
Projected 2012.

GROSS RETURNS		
ALFALFA HAY	100 ACRES	
CROP		\$159,000
GRAZING		\$1,000
BARLEY	4.25 ACRES	
CROP		\$650
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAZING		\$170
UPLAND COTTON	60.75 ACRES	
COTTON LINT		\$34,855
COTTON SEED		\$4,593
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$4,786
STRIPPER COTTON	0 ACRES	
COTTON LINT		\$0
COTTON SEED		\$0
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
SUDAN	10 ACRES	
GRAZING		\$0
RED CHILE	5 ACRES	
CROP		\$16,000
GROSS RETURN		<u>\$221,054</u>
CASH OPERATING EXPENSES		
SEED		\$15,657
FERTILIZER		\$16,949
CHEMICALS		\$9,945
CROP INSURANCE		\$300
OTHER PURCHASED INPUTS		\$4,284
CANAL WATER		\$18,620
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$12,329
FUEL-IRRIGATION		\$0
REPAIRS		\$2,427
CUSTOM CHARGES		\$25,261
LAND TAXES		\$353
OTHER EXPENSES		\$33,713
TOTAL CASH EXPENSES		<u>\$139,838</u>
RETURN OVER CASH EXPENSES		\$81,216
FIXED EXPENSES		\$13,277
TOTAL EXPENSES		\$153,114
NET FARM INCOME		\$67,940
LABOR AND MANAGEMENT COSTS		\$28,658
NET OPERATING PROFIT		\$39,281
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,989
INTEREST ON EQUIPMENT INVESTMENT		\$7,477
TOTAL CAPITAL COSTS		<u>\$9,466</u>
RETURN TO LAND AND RISK		<u>\$29,816</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$750 /ACRE	\$25,316	15.13%
\$1,500 /ACRE	\$20,816	9.59%
\$2,250 /ACRE	\$16,316	7.02%
\$3,000 /ACRE	\$11,816	5.54%

* 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)