

BUDGET AREA..... HONDO VALLEY, LINCOLN COUN' Projected 2008.
FARM SIZE..... 35 ACRES
IRRIGATION TYPE..... FLOOD
NUMBER OF CROPS..... 4

TABLE 1. Acreage Summary, Lincoln County,
Projected 2008.

BUDGET AREA.....	HONDO VALLEY, LINCOLN COUNTY		
FARM SIZE.....	35 ACRES		
IRRIGATION TYPE.....	FLOOD		
NUMBER OF CROPS....	4		
	WATER USE		
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	2.00 *	12	24
ALFALFA HAY	10.00	36	360
PASTURE ESTABLISHMENT	2.00 *	12	24
PERMANENT PASTURE	20.00	30	600
ROADS, DITCHES, HOMESTEAD	5.00		
	TO		1,008
	ACRE FEET PER ACRE OF WATER RIGHT		2.40

*DOUBLE-CROPPED

TABLE 2. Basic cost information for Lincoln County,
Projected 2008.

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$6.65
General & Irrigators		\$/hour	\$6.35
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.63
Phosphorus (P205)		\$/pound	\$0.55
Seed:			
Alfalfa		\$/pound	\$3.45
Pasture		\$/pound	\$3.50
Natural Gas		\$/MCF	\$3.25
Diesel fuel		\$/gallon	\$3.05
Gasoline		\$/gallon	\$2.80
Electricity		cents/kwhr	10.11
Employee Liability Insurance		\$/ \$1,000 wages	\$12.00
Employee Benefits		percent/wages	12.00%
Labor Downtime		percent	25.00%
Financial Rates:			
Operating Capital Interest Rate		percent	7.75%
Land Interest Rate		percent	7.75%
Equipment Interest Rate		percent	7.75%
Expected Inflation Rate		percent	3.00%
Land Taxes		\$175.00 /acre (full value)	\$1.51
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value)	\$25.82 \$21.88
Supervision Factors			
Field Crop-Irrigation		\$/acre	\$1.00
Field Crop-Equipment & General		\$/acre	\$0.50
Management Rate		percent	4.00%

TABLE 3. Overhead cost information for Lincoln County,
Projected 2008.

Item			
Electricity (Domestic & Shop)		\$50.40 per month	\$605
Telephone		\$39.20 per month	\$470
Accounting & Legal			\$123
Misc. Supplies & Hand Tools			\$235
Pickup and Auto			
miles	4,614	@ \$0.415 per mile	\$1,915
Insurance			
- general liability (non-employee)			\$162
- fire/theft			\$134
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$196
Dues, fees, publications			\$101
Farmstead Equipment			\$162
		Total	\$10,115
		Total per planted acre	\$337.15

TABLE 4 Pumping costs and data for irrigation wells, Lincoln County
Projected 2008

WELL DATA		DEPTH CHARACTERISTICS	
DELIVERY PIP	0	STATIC	50
SPRINKLER	0	DRAW-DOWN	25
		TOTAL HEAD	75
		CASING	100
GALLONS PER MINUTE (GPM)			
WORK HORSEPOWER	400		
EFFICIENCY FACTOR:			
ELECTRICITY	0.847		
NATURAL GAS	0.125		
DIESEL	0.199		
FUEL COST PER HOUR:			
ELECTRICITY	10.11	CENTS/KWH	
NATURAL GAS	\$3.25	\$/MCF	
DIESEL	\$3.05	\$/GAL	
PUMPING COSTS			
ELECTRICAL WELL:			
COST PER HOUR	\$1.31		
COST PER ACRE INCH	\$1.48		
NATURAL GAS WELL:			
COST PER HOUR	\$0.58		
COST PER ACRE INCH	\$0.66		
BUTANE WELL:			
COST PER HOUR	\$0.78		
COST PER ACRE INCH	\$0.89		
DIESEL WELL:			
COST PER HOUR	\$2.10		
COST PER ACRE INCH	\$2.28		

TABLE 5 Equipment summary for a 25 acre per-acre farm, Hondo Valley, Lincoln County
Projected 2008

EQUIPMENT	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS				FIXED COSTS		TOTAL PER HR
				FUEL OIL LUBRICANT	REPAIR PER HR	FUEL OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	
TRACTOR	20 HP	100	1	\$4,415	\$1,043	\$107	\$1.08	\$385	\$77	\$4.39
BALER, PTO	2 WRE	15	1	\$1,800	\$2	\$0.15	\$0.15	\$385	\$33	\$27.88
HAYRIG	8 FT	1	1	\$300	\$2	\$0.21	\$0.21	\$37	\$2	\$21.88
FLOAT	8 FT	2	1	\$400	\$2	\$0.21	\$0.21	\$40	\$3	\$17.74
DISC	8 FT	1	1	\$600	\$7	\$0.74	\$0.74	\$60	\$6	\$6.67
FERT. SPREADER	8 FT	10	1	\$2,300	\$9	\$0.92	\$0.92	\$307	\$30	\$33.01
RAGE	8 FT	10	1	\$1,000	\$7	\$0.43	\$0.43	\$156	\$13	\$11.22
DRILL	8 FT	1	1	\$1,000	\$1	\$0.48	\$0.48	\$80	\$9	\$73.84
MOWER	7 FT	30	1	\$1,300	\$2	\$0.36	\$0.36	\$130	\$11	\$47.11
WELL ELECTRIC		204	1	\$8,000	\$287	\$0	\$1.31	\$0.00	\$90	\$3.48
				\$23,385	\$1,310	\$144		\$2,203	\$242	

ITEM	NEW VALUE	USED VALUE	YEARS LIFE	EQUP CODE	MAX HOURS	FUEL LUBE COEF	ACCOM HOURS	INTEREST EXPENSE	ANNUAL PER ACRE					
									ALFALFA EST	ALFALFA PASTURE	PASTURE EST	TOTAL		
TRACTOR 20 HP	17,975	6,415	30	1	800	3.40	0.10	1494.00	15	696.53	3.80	7.86	3.00	15.80
BALER, PTO 2 WRE	7,700	1,800	20	2	300			276.30	18	276.30	1.00	0.00	0.00	1.00
HAYRIG 8 FT	400	300	18	4	300			18.24	18	18.24	0.30	0.00	0.00	0.30
FLOAT 8 FT	800	400	15	4	300			36.00	15	36.00	0.60	0.00	0.00	0.60
DISC 8 FT	2,300	600	15	3	300			153.00	15	153.00	2.40	0.00	0.00	2.40
FERT. SPREADER	4,800	2,300	15	9	150			153.00	15	153.00	0.30	0.30	0.30	0.90
RAGE 8 FT	3,200	1,500	20	6	300			225.00	15	129.15	0.00	1.00	0.00	1.00
DRILL 8 FT	2,000	1,000	25	8	100			15.88	13	77.50	0.30	0.00	0.30	0.60
MOWER 7 FT	2,600	1,300	20	6	300			450.00	15	150.75	0.00	0.00	0.00	0.00
WELL ELECTRIC	16,000	8,000	25	0	8,742			305.05	15	620.00	0.00	6.79	0.00	6.79

INTEREST PROPORTION		ALFALFA ESTABLISHMENT		ACRES		PUMP WATER		ACCOMPLISHMENT	
ALFALFA PASTURE	ANNUAL EST	POWER LIMIT	TIMES OVER	RATE	TOTAL	CUSTOM			
\$4.55	2.10								
28.84	0.00								
0.00	0.00								
0.00	0.00								
5.24	5.24								
5.24	0.00								
0.00	0.00								
0.00	0.00								
20.67	20.67								
132.38	28.01								

MACHINE	POWER LIMIT	TIMES OVER	RATE		TOTAL	CUSTOM
			ALFALFA EST	ALFALFA PASTURE		
DISC (2X)	30 HP	2.00	1.20	2.40		
HAYRIG	30 HP	1.00	0.30	0.30		
FERT. SPREADER	30 HP	1	0.30	0.30		
DRILL	30 HP	1.00	0.30	0.30		
IRRIGATE (2X)	30 HP	2	1.50	3.00		

ALFALFA HAY		ACRES		PUMP WATER		ACCOMPLISHMENT	
MACHINE	POWER LIMIT	TIMES OVER	RATE	TOTAL	CUSTOM		
FERT. SPREADER	30 HP	1	0.30	0.30			
DISC MAINTENANCE		1	0.28	0.28			
IRRIGATE (2X)		6	1.13	6.79			
MOWER (2X)	30 HP	3	1.00	3.00			
BALER (2X)	30 HP	3	0.50	1.50			
BALER, PTO (2X)	30 HP	3	0.50	1.50			
MALM (2X)	30 HP	3	0.50	1.50			

PERMANENT PASTURE EST.		ACRES		PUMP WATER		ACCOMPLISHMENT	
MACHINE	POWER LIMIT	TIMES OVER	RATE	TOTAL	CUSTOM		
DISC (2X)	30 HP	2	1.20	2.40			
HAYRIG	30 HP	1	0.30	0.30			
FERT. SPREADER	30 HP	1	0.30	0.30			
DRILL	30 HP	1	0.30	0.30			
IRRIGATE (2X)	30 HP	2	1.50	3.00			

ANNUAL PERMANENT PASTURE		ACRES		PUMP WATER		ACCOMPLISHMENT	
MACHINE	POWER LIMIT	TIMES OVER	RATE	TOTAL	CUSTOM		
FERT. SPREADER	30 HP	1	0.30	0.30			
DISC MAINTENANCE		1	0.28	0.28			
IRRIGATE (2X)		5	1.13	6.79			

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE									
Years of Use	1	2	3	4	5	6	7	8	9
0	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
50	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
100	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
200	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
300	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
400	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
500	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
600	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
700	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
800	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
900	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
1000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
1200	0.000045	0.000145	0.000245	0.000345	0.000445	0.000545	0.000645	0.000745	0.000845
1400	0.000145	0.000245	0.000345	0.000445	0.000545	0.000645	0.000745	0.000845	0.000945
1600	0.000245	0.000345	0.000445	0.000545	0.000645	0.000745	0.000845	0.000945	0.001045
1800	0.000345	0.000445	0.000545	0.000645	0.000745	0.000845	0.000945	0.001045	0.001145
2000	0.000445	0.000545	0.000645	0.000745	0.000845	0.000945	0.001045	0.001145	0.001245
2200	0.000545	0.000645	0.000745	0.000845	0.000945	0.001045	0.001145	0.001245	0.001345
2400	0.000645	0.000745	0.000845	0.000945	0.001045	0.001145	0.001245	0.001345	0.001445
2600	0.000745	0.000845	0.000945	0.001045	0.001145	0.001245	0.001345	0.001445	0.001545
2800	0.000845	0.000945	0.001045	0.001145	0.001245	0.001345	0.001445	0.001545	0.001645
3000	0.000945	0.001045	0.001145	0.001245	0.001345	0.001445	0.001545	0.001645	0.001745
3200	0.001045	0.001145	0.001245	0.001345	0.001445	0.001545	0.001645	0.001745	0.001845
3400	0.001145	0.001245	0.001345	0.001445	0.001545	0.001645	0.001745	0.001845	0.001945
3600	0.001245	0.001345	0.001445	0.001545	0.001645	0.001745	0.001845	0.001945	0.002045
3800	0.001345	0.001445	0.001545	0.001645	0.001745	0.001845	0.001945	0.002045	0.002145
4000	0.001445	0.001545	0.001645	0.001745	0.001845	0.001945	0.002045	0.002145	0.002245
4200	0.001545	0.001645	0.001745	0.001845	0.001945	0.002045	0.002145	0.002245	0.002345
4400	0.001645	0.001745	0.001845	0.001945	0.002045	0.002145	0.002245	0.002345	0.002445
4600	0.001745	0.001845	0.001945	0.002045	0.002145	0.002245	0.002345	0.002445	0.002545
4800	0.001845	0.001945	0.002045	0.002145	0.002245	0.002345	0.002445	0.002545	0.002645
5000	0.001945	0.002045	0.002145	0.002245	0.002345	0.002445	0.002545	0.002645	0.002745
5200	0.002045	0.002145	0.002245	0.002345	0.002445	0.002545	0.002645	0.002745	0.002845
5400	0.002145	0.002245	0.002345	0.002445	0.002545	0.002645	0.002745	0.002845	0.002945
5600	0.002245	0.002345	0.002445	0.002545	0.002645	0.002745	0.002845	0.002945	0.003045
5800	0.002345	0.002445	0.002545	0.002645	0.002745	0.002845	0.002945	0.003045	0.003145
6000	0.002445	0.002545	0.002645						

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County
 Projected 2008.
 Planting dates: August 15 - October 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
ALFALFA SEED	\$3.45	20 LBS		\$69.00				\$69.00
PHOSPHORUS (P2O5)	\$0.55	50 LBS		\$27.50				\$27.50
CANAL WATER		12 AC. IN.						
SUBTOTAL				\$96.50				\$96.50
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	30 HP	2.40 HR		\$15.96	\$25.13	\$4.37	\$31.82	\$77.28
HARROW	30 HP	0.30 HR		\$2.00	\$3.14	\$0.33	\$8.41	\$13.88
FLOAT	30 HP	0.60 HR		\$3.99	\$6.28	\$0.65	\$13.28	\$24.20
FERT. SPREADER	30 HP	0.30 HR		\$2.00	\$3.14	\$0.60	\$10.92	\$16.65
DRILL	30 HP	0.30 HR		\$2.00	\$3.14	\$0.47	\$23.47	\$29.07
IRRIGATE (2X)		1.00 HR		\$6.35				\$6.35
SUBTOTAL		4.90 HR		\$32.29	\$40.84	\$6.42	\$87.89	\$167.44
OVERHEAD EXPENSES								
DOWNTIME		0.98 HR		\$6.48				\$6.48
EMPLOYEE BENEFITS				\$3.87				\$3.87
FARM INSURANCE			\$0.39					\$0.39
SUPERVISION AND MANAGEMENT				\$13.51				\$13.51
SUBTOTAL		0.98 HR	\$0.39	\$23.87				\$24.25
TOTAL OPERATING EXPENSES		5.88 HR	\$96.89	\$56.15	\$40.84	\$6.42	\$87.89	\$288.19

TABLE 8. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln Count
 Projected 2008.
 Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<u>PURCHASED INPUTS</u>								
PASTURE SEED	\$3.50	20.00 LBS		\$70.00				\$70.00
NITROGEN (N)	\$0.63	50 LBS		\$31.50				\$31.50
PHOSPHORUS (P2O5)	\$0.55	20 LBS		\$11.00				\$11.00
CANAL WATER		12.00 AC. IN.						
SUBTOTAL				\$112.50				\$112.50
<u>PREHARVEST OPERATIONS</u>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	30 HP	2.40 HR		\$15.96	\$25.13	\$4.37	\$31.82	\$77.28
HARROW	30 HP	0.30 HR		\$2.00	\$3.14	\$0.33	\$8.41	\$13.88
FERT. SPREADER	30 HP	0.30 HR		\$2.00	\$3.14	\$0.60	\$10.92	\$16.65
FLOAT	30 HP	0.60 HR		\$3.99	\$6.28	\$0.65	\$13.28	\$24.20
DRILL	30 HP	0.30 HR		\$2.00	\$3.14	\$0.47	\$23.47	\$29.07
IRRIGATE (3X)		1.00 HR		\$6.35				\$6.35
SUBTOTAL		4.90 HR		\$32.29	\$40.84	\$6.42	\$87.89	\$167.44
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		0.98 HR		\$6.48				\$6.48
EMPLOYEE BENEFITS				\$3.87				\$3.87
FARM INSURANCE			\$0.39					\$0.39
SUPERVISION AND MANAGEMENT				\$14.15				\$14.15
OTHER EXPENSES			\$337.15					\$337.15
SUBTOTAL		0.98 HR	\$337.54	\$24.51				\$362.05
<u>TOTAL OPERATING EXPENSES</u>		5.88 HR	\$450.04	\$56.79	\$40.84	\$6.42	\$87.89	\$641.99

TABLE 9. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County
Projected 2008.

Harvesting dates: March 1 - September 30										
ITEM	PRICE	YIELD								TOTAL
GROSS RETURNS										
PASTURE	\$12.00	10.00 AUMS								\$120.00
TOTAL									\$120.00	
PURCHASED INPUTS										
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL		
NITROGEN (N)	\$0.63	50 LBS	\$31.50					\$31.50		
PHOSPHORUS (P2O5)	\$0.55	20 LBS	\$11.00					\$11.00		
LIVESTOCK FAC & EQUIP ESTABLISHMENT: Principal		10 YEARS					\$12.00	\$12.00		
: Interest							\$64.20	\$64.20		
CANAL WATER		24 AC. IN.					\$26.24	\$26.24		
PUMP WATER*		6 AC. IN.								
SUBTOTAL			\$42.50				\$102.44	\$144.94		
PREHARVEST OPERATIONS										
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL		
FERT. SPREADER	30 HP	0.30 HR		\$1.91	\$3.14	\$0.60	\$10.92	\$16.56		
DITCH MAINTENANCE		0.25 HR		\$1.59				\$1.59		
IRRIGATE (5X)		2.50 HR		\$15.88	\$8.89	\$0.00	\$23.63	\$48.39		
SUBTOTAL		3.05 HR		\$19.37	\$12.03	\$0.60	\$34.54	\$66.54		
OVERHEAD EXPENSES										
DOWNTIME		0.14 HR		\$0.91				\$0.91		
EMPLOYEE BENEFITS				\$2.32				\$2.32		
FARM INSURANCE			\$0.23				\$0.23			
LAND TAXES							\$1.51	\$1.51		
SUPERVISION AND MANAGEMENT				\$7.58				\$7.58		
OTHER EXPENSES			\$337.15				\$337.15			
SUBTOTAL		0.14 HR	\$337.38	\$10.81				\$1.51	\$349.70	
TOTAL OPERATING EXPENSES		3.19 HR	\$379.88	\$30.18	\$12.03	\$0.60	\$138.49	\$561.18		
NET OPERATING PROFIT									(\$441.18)	
INTEREST ON OPERATING CAPITAL		(\$211.48	@	7.75%)			\$6.91	
INTEREST ON EQUIPMENT INVESTMENT									\$28.01	
RETURN TO LAND AND RISK									(\$476.09)	

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

GROSS RETURN		\$120.00	
VARIABLE OPERATING EXPENSES	\$399.42		
RETURN OVER VARIABLE EXPENSES		(\$279.42)	(GROSS MARGINS)
FIXED EXPENSES	\$138.49		
NET FARM INCOME		(\$417.91)	(RETURNS TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$30.18		
NET OPERATING PROFIT		(\$448.09)	(RETURNS TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$28.01		
RETURN TO LAND AND RISK		(\$476.09)	

TABLE 10. Summary of per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County, Projected 2008.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	ANNUAL PASTURE ESTABLISHMENT	ANNUAL PASTURE
		TONS		AUMS
PRIMARY YIELD		4.00		10.00
PRIMARY PRICE		\$140.00		\$12.00
GOVERNMENT PAYMENTS		\$0.00		\$0.00
SECOND INCOME		\$15.00		\$0.00
GROSS RETURN		\$575.00		\$120.00
CASH OPERATING EXPENSES				
SEED	\$69.00		\$70.00	
FERTILIZER	\$27.50	\$62.10	\$42.50	\$42.50
CHEMICALS		\$16.00		
CROP INSURANCE				
OTHER PURCHASED INPUTS		\$19.25		
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$40.84	\$81.68	\$40.84	\$3.14
FUEL-IRRIGATION		\$8.89		\$8.89
REPAIRS	\$6.42	\$10.66	\$6.42	\$0.60
CUSTOM CHARGES				
LAND TAXES		\$1.51		\$1.51
OTHER EXPENSES	\$0.39	\$338.02	\$337.54	\$337.38
TOTAL CASH EXPENSES	\$144.15	\$538.11	\$497.30	\$394.02
RETURN OVER CASH EXPENSES	(\$144.15)	\$36.89	(\$497.30)	(\$274.02)
FIXED EXPENSES	\$87.89	\$207.62	\$87.89	\$136.98
TOTAL EXPENSES	\$232.04	\$745.73	\$585.19	\$531.00
NET FARM INCOME	(\$232.04)	(\$170.73)	(\$585.19)	(\$411.00)
LABOR AND MANAGEMENT COSTS	\$56.15	\$124.70	\$56.79	\$30.18
NET OPERATING PROFIT	(\$288.19)	(\$295.43)	(\$641.99)	(\$441.18)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$8.96		\$6.91
INTEREST ON EQUIPMENT INVESTMENT		\$132.38		\$28.01
TOTAL CAPITAL COSTS	\$0.00	\$141.34	\$0.00	\$34.91
RETURN TO LAND AND RISK	(\$288.19)	(\$436.77)	(\$641.99)	(\$476.09)

TABLE 11. Whole farm summary, Hondo Valley, Lincoln County,
Projected 2008.

GROSS RETURNS		
ALFALFA HAY	10.00 ACRES	
CROP		\$5,600
GRAZING		\$150
PASTURE	20.00 ACRES	
GRAZING		\$2,400
GROSS RETURN		\$8,150
CASH OPERATING EXPENSES		
SEED		\$278
FERTILIZER		\$1,611
CHEMICALS		\$160
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$193
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$1,043
FUEL-IRRIGATION		\$267
REPAIRS		\$144
CUSTOM CHARGES		\$0
LAND TAXES		\$45
OTHER EXPENSES		\$10,804
TOTAL CASH EXPENSES		\$14,544
RETURN OVER CASH EXPENSES		(\$6,394)
FIXED EXPENSES		\$3,307
TOTAL EXPENSES		\$17,851
NET FARM INCOME		(\$9,701)
LABOR AND MANAGEMENT COSTS		\$2,077
NET OPERATING PROFIT		(\$11,778)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$228
INTEREST ON EQUIPMENT INVESTMENT		\$1,884
TOTAL CAPITAL COSTS		\$2,112
RETURN TO LAND AND RISK		(\$13,890)

LAND VALUE	RETURNS TO RISK*	RETURN ON INVESTMENT**
\$700 /ACRE	(\$14,625)	-24.61%
\$900 /ACRE	(\$14,835)	-21.47%
\$1,100 /ACRE	(\$15,045)	-19.04%
\$1,300 /ACRE	(\$15,255)	-17.10%
\$1,500 /ACRE	(\$15,465)	-15.52%
\$1,700 /ACRE	(\$15,675)	-14.21%
\$1,900 /ACRE	(\$15,885)	-13.11%
\$2,100 /ACRE	(\$16,095)	-12.16%

* 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)