

TABLE 1. Acreage Summary, Luna County,
Projected 2012.

| | |
|----------------------|--------------------------|
| BUDGET AREA..... | DEMING AREA, LUNA COUNTY |
| FARM SIZE..... | 640 ACRES ACRES |
| IRRIGATION TYPE..... | FLOOD |
| NUMBER OF CROPS..... | 10 |

| ACREAGE SUMMARY: | LAND USE (ACRES) | WATER USE | |
|---|---------------------|-------------------|-----------------|
| | | AC.IN. PER AC. | TOTAL AC.IN. |
| WHEAT | 68.00 | 20 | 1,360 |
| ARP | 0.00 | | |
| FLEX IN COTTON | 12.00 | 26 | 312 |
| GRAIN SORGHUM | 93.50 | 30 | 2,805 |
| ARP | 0.00 | | |
| FLEX IN COTTON | 16.50 | 26 | 429 |
| COTTON | 272.00 | 26 | 7,072 |
| ARP | 0.00 | | |
| FLEX IN COTTON | 48.00 | 26 | 1,248 |
| GREEN CHILE | 40.00 | 54 | 2,160 |
| RED CHILE | 40.00 | 48 | 1,920 |
| FALL ONIONS | 10.00 | 56 | 560 |
| MIDSEASON YELLOW | 10.00 | 48 | 480 |
| LATE SEASON ONIONS | 10.00 | 48 | 480 |
| SPRING LETTUCE | 10.00 | 24 | 240 |
| FALL LETTUCE | 10.00 * | 40 | 400 |
| ROADS, DITCHES, HOMESTEAD | 10.00 | | |
| TOTAL | 640.00 | | 19,466 |
| ACRE FEET PER ACRE OF WATER RIGHTS | | | 2.53 |

*DOUBLE-CROPPED

TABLE 2. Basic cost information for the Deming area,
Projected 2012.

| Item | | |
|---------------------------------|-----------------------------|---|
| Labor Wage Rate: | \$/hour | \$7.25 |
| Purchased Inputs: | | |
| Fertilizer: | | |
| Nitrogen (N) | \$/pound | \$0.71 |
| Phosphate (P205) | \$/pound | \$0.65 |
| Anhydrous Ammonia (NH3) | \$/ton | \$750.00 |
| Seed: | | |
| Wheat | \$/pound | \$0.50 |
| Chile | | |
| green | \$/pound | \$38.00 |
| red | \$/pound | \$38.00 |
| Grain Sorghum | \$/pound | \$1.97 |
| Cotton | \$/pound | \$8.00 |
| Lettuce | | |
| spring | \$/pound | \$1.55 |
| fall | \$/pound | \$1.65 |
| Energy: | | |
| Natural gas (Gas Co. of NM) | \$/MCF | \$4.01 |
| Diesel fuel | \$/gallon | \$3.00 |
| Gasoline | \$/gallon | \$3.80 |
| Electricity (Columbus) | cents/KwHr | 7.45 |
| 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 | \$223.00 /acre (full value) | \$1.86 |
| Personal Property Tax Rate | - NR - R | \$/1,000 (Assessed Value) \$25.01 \$21.32 |
| 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 Deming area,
Projected 2012.

| Item | | | |
|------------------------------------|----------|--------------------|-----------------|
| Electricity (Domestic & Shop) | | \$242.00 per month | \$2,904 |
| Telephone | | \$157.30 per month | \$1,888 |
| Accounting & Legal | | | \$16,916 |
| Misc. Supplies & Hand Tools | | | \$2,656 |
| Pickup and Auto | | | |
| miles | 24,926 @ | \$0.500 per mile | \$12,463 |
| Insurance | | | |
| - general liability (non-employee) | | | \$1,857 |
| - fire/theft | | | \$1,470 |
| Property Taxes | | | |
| - non-planted land | | | \$0 |
| - other than land & machinery | | | \$6,010 |
| Building repairs and maintenance | | | \$1,410 |
| Dues, fees, publications | | | \$411 |
| Farmstead Equipment | | | \$188 |
| Total | | | \$48,172 |
| Total Per Planted Acre | | | \$75.27 |

TABLE 4. Pumping costs and data for irrigation wells, Deming area, Luna County,
Projected 2012.

INPUT DATA

| | | | |
|--------------------------|--------|------------------------|-----|
| | | DEPTH CHARACTERISTICS: | |
| | | STATIC..... | 140 |
| | | DRAW DOWN..... | 60 |
| | | TOTAL HEAD..... | 200 |
| | | CASING..... | 225 |
| GALLONS PER MINUTE (GPM) | 600 | | |
| WORK HORSEPOWER | 30 | | |
| EFFICIENCY FACTOR: | | | |
| ELECTRICITY | 0.501 | | |
| NATURAL GAS | 0.098 | | |
| LP GAS | 0.098 | | |
| DIESEL | 0.102 | | |
| FUEL COST PER UNIT: | | | |
| ELECTRICITY | 7.45 | CENTS/KwHr | |
| NATURAL GAS | \$4.01 | \$/MCF | |
| LP GAS | \$2.75 | \$/GAL | |
| DIESEL | \$3.00 | \$/GAL | |

FUEL PUMPING COSTS:

| | | |
|--------------------|--|---------|
| ELECTRIC WELL: | | |
| COST PER HOUR | | \$3.39 |
| COST PER ACRE INCH | | \$2.56 |
| NATURAL GAS WELL: | | |
| COST PER HOUR | | \$3.49 |
| COST PER ACRE INCH | | \$2.63 |
| LP GAS WELL: | | |
| COST PER HOUR | | \$23.59 |
| COST PER ACRE INCH | | \$17.79 |
| DIESEL WELL: | | |
| COST PER HOUR | | \$16.04 |
| COST PER ACRE INCH | | \$12.10 |

TABLE 6. Wheat, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County, Projected 2012.
 Planting dates: January 1 - February 10
 Harvest dates: June 15 - July 15

| ITEM | PRICE | YIELD | | | | | | TOTAL |
|----------------------------------|------------|---------------------|------------------|----------------|----------------|---------------|----------------|-----------------|
| GROSS RETURNS | | | | | | | | |
| WHEAT | \$10.83 | 50 CWT | | | | | | \$541.67 |
| DIRECT PAYMENT | \$0.00 | 50 CWT | | | | | | \$0.00 |
| COUNTER CYCLICAL PAYMENT | \$0.00 | | | | | | | \$0.00 |
| TOTAL | | | | | | | | \$541.67 |
| SED INPUTS | | | | | | | | |
| SED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL |
| SEED | \$0.50 | 100 LBS | \$50.00 | | | | | \$50.00 |
| ANHYDROUS AMMONIA (NH3) | \$0.38 | 250 LBS | \$93.75 | | | | | \$93.75 |
| NITROGEN (N) | \$0.71 | 30 LBS | \$21.30 | | | | | \$21.30 |
| PHOSPHATE (P2O5) | \$0.65 | 80 LBS | \$52.00 | | | | | \$52.00 |
| PUMP WATER* | | 20 ACRE IN. | | | | | | |
| CROP INSURANCE | \$0.74 | | \$0.74 | | | | | \$0.74 |
| SUBTOTAL | | | \$217.79 | | | | | \$217.79 |
| EST OPERATI | | | | | | | | |
| EST OPERATI | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
| DISC (2X) | 185 HP | 0.28 HR | | \$2.03 | \$11.02 | \$2.08 | \$4.25 | \$19.38 |
| LISTER | 140 HP | 0.12 HR | | \$0.87 | \$3.56 | \$0.84 | \$2.04 | \$7.32 |
| FERTILIZE | 140 HP | 0.05 HR | | \$0.36 | \$1.48 | \$0.22 | \$0.66 | \$2.73 |
| DRILL | 140 HP | 0.18 HR | | \$1.31 | \$5.35 | \$0.97 | \$8.98 | \$16.59 |
| IRRIGATE (4X) | | 2 HR | | \$14.50 | \$51.19 | \$1.47 | \$18.23 | \$85.38 |
| SUBTOTAL | | 2.63 HR | | \$19.07 | \$72.60 | \$5.58 | \$34.15 | \$131.40 |
| HARVEST OPERATIONS | | | | | | | | |
| COMBINE (CUSTOM) | | | \$26.00 | | | | | \$26.00 |
| HAUL (CUSTOM) | | | \$9.50 | | | | | \$9.50 |
| SUBTOTAL | | 0.00 HR | \$35.50 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$35.50 |
| OVERHEAD EXPENSES | | | | | | | | |
| DOWNTIME | | 0.1575 HR | | \$1.14 | | | | \$1.14 |
| EMPLOYEE BENEFITS | | | | \$3.43 | | | | \$3.43 |
| INSURANCE | | | \$0.38 | | | | | \$0.38 |
| LAND TAXES | | | | | | | | \$1.86 |
| SUPERVISION AND MANAGEMENT | | | | \$40.23 | | | | \$40.23 |
| OTHER EXPENSES | | | \$75.27 | | | | | \$75.27 |
| SUBTOTAL | | 0.16 HR | \$75.65 | \$44.81 | | | | \$1.86 |
| TOTAL OPERATING EXPENSES | | 2.79 HR | \$328.94 | \$63.87 | \$72.60 | \$5.58 | \$36.01 | \$507.00 |
| NET OPERATING PROFIT | | | | | | | | \$34.66 |
| INTEREST ON OPERATING CAPITAL | | (\$131.40 @ | 7.00% |) | | | | \$9.20 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$8.43 |
| RETURN TO LAND AND RISK | | | | | | | | \$17.03 |

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

BUDGET SUMMARY

| | | | |
|-------------------------------|----------|----------|---|
| GROSS RETURN | | \$541.67 | |
| VARIABLE OPERATING EXPENSES | \$407.12 | | |
| RETURN OVER VARIABLE EXPENSES | | \$134.54 | (GROSS MARGIN) |
| FIXED EXPENSES | \$36.01 | | |
| NET FARM INCOME | | \$98.54 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$63.87 | | |
| NET OPERATING PROFIT | | \$34.66 | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$17.63 | | |
| RETURN TO LAND AND RISK | | \$17.03 | |

TABLE 7. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County, Projected 2012.
 Planting dates: May 10 - July 10
 Harvest dates: October 15 - November 15

| ITEM | PRICE | YIELD | TOTAL |
|--------------------------|--------|-----------|-----------------|
| GROSS RETURNS | | | |
| GRAIN SORGHUM | \$8.63 | 70.00 CWT | \$603.75 |
| DIRECT PAYMENT | \$0.00 | 70.00 CWT | \$0.00 |
| COUNTER CYCLICAL PAYMENT | \$0.00 | 0.00 CWT | \$0.00 |
| TOTAL | | | \$603.75 |

| SED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | FIXED COST | TOTAL |
|-------------------------|---------|------------|------------------|------------|-----------------|
| SEED | \$1.97 | 8 LBS | \$15.76 | | \$15.76 |
| ANHYDROUS AMMONIA (NH3) | \$0.38 | 200 LBS | \$75.00 | | \$75.00 |
| NITROGEN (N) | \$0.71 | 30 LBS | \$21.30 | | \$21.30 |
| PHOSPHATE (P2O5) | \$0.65 | 70 LBS | \$45.50 | | \$45.50 |
| HERBICIDE | \$15.54 | 1 ACRE | \$15.54 | | \$15.54 |
| INSECTICIDE (AERIAL) | \$18.95 | 1 ACRE | \$18.95 | | \$18.95 |
| INSECTICIDE | \$11.16 | 1 DOLLAR | \$11.16 | | \$11.16 |
| PUMP WATER* | | 30 AC. IN. | | | |
| CROP INSURANCE | \$0.53 | | \$0.53 | | \$0.53 |
| SUBTOTAL | | | \$203.75 | | \$203.75 |

| EST OPERATI | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------|------------|---------------------|------------------|----------------|-----------------|----------------|----------------|-----------------|
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 |
| PLOW | 185 HP | 0.48 HR | | \$3.48 | \$18.89 | \$3.86 | \$7.41 | \$33.64 |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 |
| DRAG | 80 HP | 0.2 HR | | \$1.45 | \$4.63 | \$0.42 | \$0.54 | \$7.03 |
| LISTER & SPRAY | 140 HP | 0.13 HR | | \$0.94 | \$3.86 | \$1.00 | \$2.56 | \$8.36 |
| FERTILIZE | 140 HP | 0.05 HR | | \$0.36 | \$1.48 | \$0.22 | \$0.66 | \$2.73 |
| PRE-IRRIGATE | | 0.75 HR | | \$5.44 | \$12.80 | \$0.37 | \$4.56 | \$23.16 |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 |
| PLANTER | 140 HP | 0.17 HR | | \$1.23 | \$5.05 | \$1.09 | \$3.95 | \$11.32 |
| CULTIVATOR (2X) | 80 HP | 0.26 HR | | \$1.89 | \$6.02 | \$1.34 | \$0.98 | \$10.23 |
| ROTO BUCK (6X) | 140 HP | 0.18 HR | | \$1.31 | \$5.35 | \$0.79 | \$2.65 | \$10.09 |
| IRRIGATE (5X) | | 2.5 HR | | \$18.13 | \$63.98 | \$1.84 | \$22.78 | \$106.73 |
| SUBTOTAL | | 5.13 HR | | \$37.19 | \$136.09 | \$13.76 | \$51.32 | \$238.36 |

HARVEST OPERATIONS

| | | | | | | | | |
|------------------|--|----------------|----------------|---------------|---------------|---------------|---------------|----------------|
| COMBINE (CUSTOM) | | | \$15.00 | | | | | \$15.00 |
| HAUL (CUSTOM) | | | \$13.30 | | | | | \$13.30 |
| SUBTOTAL | | 0.00 HR | \$28.30 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$28.30 |

POST HARVEST OPERATIONS

| | | | | | | | | |
|----------|--------|---------|--|--------|--------|--------|--------|--------|
| SHREDDER | 126 HP | 0.14 HR | | \$1.02 | \$4.16 | \$0.67 | \$2.44 | \$8.28 |
|----------|--------|---------|--|--------|--------|--------|--------|--------|

OVERHEAD EXPENSES

| | | | | | | | | |
|----------------------------|--|----------------|----------------|----------------|--|--------|---------------|-----------------|
| DOWNTIME | | 0.505 HR | | \$3.66 | | | | \$3.66 |
| EMPLOYEE BENEFITS | | | | \$6.88 | | | | \$6.88 |
| INSURANCE | | | \$0.76 | | | | | \$0.76 |
| LAND TAXES | | | | | | \$1.86 | | \$1.86 |
| SUPERVISION AND MANAGEMENT | | | | \$46.52 | | | | \$46.52 |
| OTHER EXPENSES | | | \$75.27 | | | | | \$75.27 |
| SUBTOTAL | | 0.51 HR | \$76.03 | \$57.06 | | | \$1.86 | \$134.95 |

| | | | | | | | | |
|---------------------------------|--|----------------|-----------------|----------------|-----------------|----------------|----------------|-----------------|
| TOTAL OPERATING EXPENSES | | 5.78 HR | \$308.08 | \$95.27 | \$140.25 | \$14.42 | \$55.62 | \$613.64 |
|---------------------------------|--|----------------|-----------------|----------------|-----------------|----------------|----------------|-----------------|

| | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|-----------------|
| NET OPERATING PROFIT | | | | | | | | (\$9.89) |
|-----------------------------|--|--|--|--|--|--|--|-----------------|

| | | | | | | | | |
|----------------------------------|--|---|----------|---|-------|---|--|---------|
| INTEREST ON OPERATING CAPITAL | | (| \$142.90 | @ | 7.00% |) | | \$10.00 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$16.17 |

| | | | | | | | | |
|--------------------------------|--|--|--|--|--|--|--|------------------|
| RETURN TO LAND AND RISK | | | | | | | | (\$36.06) |
|--------------------------------|--|--|--|--|--|--|--|------------------|

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

| | | | |
|-------------------------------|----------|-----------|---|
| GROSS RETURN | | \$603.75 | |
| VARIABLE OPERATING EXPENSES | \$462.75 | | |
| RETURN OVER VARIABLE EXPENSES | | \$141.00 | (GROSS MARGIN) |
| FIXED EXPENSES | \$55.62 | | |
| NET FARM INCOME | | \$85.38 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$95.27 | | |
| NET OPERATING PROFIT | | (\$9.89) | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$26.17 | | |
| RETURN TO LAND AND RISK | | (\$36.06) | |

TABLE 8. Upland cotton (picker), flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County, Projected 2012.
 Planting dates: April 1 - May 15
 Harvest dates: October 1 - December 20

| ITEM | PRICE | YIELD | | | | | | TOTAL |
|----------------------------------|------------|---------------------|------------------|-----------------|-----------------|----------------|-------------------|-----------------|
| GROSS RETURNS | | | | | | | | |
| LINT | \$0.85 | 750 LBS | | | | | | \$637.50 |
| SEED | \$0.07 | 1200 LBS | | | | | | \$84.00 |
| DIRECT PAYMENT | \$0.00 | 1080 LBS | | | | | | \$0.00 |
| COUNTER CYCLICAL PAYMENT | \$0.09 | 0 LBS | | | | | | \$0.00 |
| TOTAL | | | | | | | \$721.50 | |
| ED INPUTS | | | | | | | | |
| ED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | FIXED COST | TOTAL | |
| SEED | \$8.00 | 18 LBS | \$144.00 | | | | \$144.00 | |
| ANHYDROUS AMMONIA (NH3) | \$0.38 | 150 LBS | \$56.25 | | | | \$56.25 | |
| NITROGEN (N) | \$0.71 | 30 LBS | \$21.30 | | | | \$21.30 | |
| PHOSPHATE (P2O5) | \$0.65 | 80 LBS | \$52.00 | | | | \$52.00 | |
| HERBICIDE | \$15.54 | 1 ACRE | \$15.54 | | | | \$15.54 | |
| INSECTICIDE | \$11.16 | 1 ACRE | \$11.16 | | | | \$11.16 | |
| CROP INSURANCE | \$0.18 | FCIC | \$0.18 | | | | \$0.18 | |
| PUMP WATER* | | 26 AC. IN. | | | | | | |
| SUBTOTAL | | | \$300.43 | | | | \$300.43 | |
| EST OPERATI | | | | | | | | |
| EST OPERATI | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
| DISC (2X) | 185 HP | 0.28 HR | | \$2.03 | \$11.02 | \$2.08 | \$4.25 | \$19.38 |
| PLOW | 185 HP | 0.48 HR | | \$3.48 | \$18.89 | \$3.86 | \$7.41 | \$33.64 |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 |
| DRAG (2X) | 80 HP | 0.2 HR | | \$1.45 | \$4.63 | \$0.42 | \$0.54 | \$7.03 |
| LISTER & SPRAY | 140 HP | 0.13 HR | | \$0.94 | \$3.86 | \$1.00 | \$2.56 | \$8.36 |
| FERTILIZE | 140 HP | 0.05 HR | | \$0.36 | \$1.48 | \$0.22 | \$0.66 | \$2.73 |
| PRE-IRRIGATE | | 0.75 HR | | \$5.44 | \$13.31 | \$0.38 | \$4.74 | \$23.87 |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 |
| PLANTER | 140 HP | 0.17 HR | | \$1.23 | \$5.05 | \$1.09 | \$3.95 | \$11.32 |
| CULTIVATOR (3X) | 80 HP | 0.39 HR | | \$2.83 | \$9.02 | \$2.02 | \$1.47 | \$15.34 |
| HAND HOE (CUSTOM) (2X) | | | \$50.00 | | | | | \$50.00 |
| ROTO BUCK (5X) | 140 HP | 0.15 HR | | \$1.09 | \$4.45 | \$0.66 | \$2.21 | \$8.41 |
| IRRIGATE (4X) | | 2 HR | | \$14.50 | \$53.24 | \$1.53 | \$18.95 | \$88.22 |
| SUBTOTAL | | 4.87 HR | \$50.00 | \$35.31 | \$133.48 | \$15.04 | \$49.85 | \$283.68 |
| HARVEST OPERATIONS | | | | | | | | |
| COTTON PICKER (2X) | 2 ROW | 1.24 HR | | \$8.99 | \$28.50 | \$0.06 | \$36.34 | \$73.89 |
| COTTON TRAILER (2X) | HALF TON | 1 HR | | \$7.25 | \$23.94 | \$0.73 | \$10.03 | \$41.95 |
| GIN COTTON (CUSTOM) | | | \$139.20 | | | | | \$139.20 |
| SUBTOTAL | | 2.24 HR | \$139.20 | \$16.24 | \$52.44 | \$0.78 | \$46.38 | \$255.04 |
| POST HARVEST OPERATIONS | | | | | | | | |
| SHREDDER | 126 HP | 0.14 HR | | \$1.02 | \$4.16 | \$0.67 | \$2.44 | \$8.28 |
| OVERHEAD EXPENSES | | | | | | | | |
| DOWNTIME | | 1.0325 HR | | \$7.49 | | | | \$7.49 |
| EMPLOYEE BENEFITS | | | | \$9.46 | | | | \$9.46 |
| INSURANCE | | | \$1.05 | | | | | \$1.05 |
| LAND TAXES | | | | | | \$1.86 | | \$1.86 |
| SUPERVISION AND MANAGEMENT | | | | \$55.51 | | | | \$55.51 |
| OTHER EXPENSES | | | \$75.27 | | | | | \$75.27 |
| SUBTOTAL | | 1.03 HR | \$76.32 | \$72.45 | | | \$1.86 | \$150.63 |
| TOTAL OPERATING EXPENSES | | 8.28 HR | \$565.95 | \$125.01 | \$190.08 | \$16.49 | \$100.52 | \$998.06 |
| NET OPERATING PROFIT | | | | | | | (\$276.56) | |
| INTEREST ON OPERATING CAPITAL | | (\$204.59 @ | 7.00% |) | | | \$14.32 | |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | \$29.77 | |
| RETURN TO LAND AND RISK | | | | | | | (\$320.65) | |

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

| | | | |
|-------------------------------|----------|------------|---|
| GROSS RETURN | | \$721.50 | |
| VARIABLE OPERATING EXPENSES | \$772.52 | | |
| RETURN OVER VARIABLE EXPENSES | | (\$51.02) | (GROSS MARGIN) |
| FIXED EXPENSES | \$100.52 | | |
| NET FARM INCOME | | (\$151.55) | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$125.01 | | |
| NET OPERATING PROFIT | | (\$276.56) | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$44.09 | | |
| RETURN TO LAND AND RISK | | (\$320.65) | |

TABLE 9. Green chile, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County, Projected 2012.
Planting dates: March 15 - May 1
Harvesting dates: August 15 - September 15

| ITEM | PRICE | YIELD | TOTAL |
|---------------|----------|------------|-------------------|
| GROSS RETURNS | | | |
| GREEN CHILE | \$475.00 | 11.00 TONS | \$5,225.00 |
| RED CHILE | \$0.00 | 0.00 LBS | \$0.00 |
| TOTAL | | | \$5,225.00 |

| ED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | FIXED COST | TOTAL |
|-------------------------|---------|------------|------------------|------------|-----------------|
| SEED | \$38.00 | 4 LBS | \$152.00 | | \$152.00 |
| ANHYDROUS AMMONIA (NH3) | \$0.38 | 300 LBS | \$112.50 | | \$112.50 |
| NITROGEN (N) | \$0.71 | 60 LBS | \$42.60 | | \$42.60 |
| PHOSPHATE (P2O5) | \$0.65 | 150 LBS | \$97.50 | | \$97.50 |
| HERBICIDE | \$15.54 | 1 ACRE | \$15.54 | | \$15.54 |
| INSECTICIDE | \$15.54 | 1 ACRE | \$15.54 | | \$15.54 |
| CROP INSURANCE | \$72.58 | 1 DOLLAR | \$72.58 | | \$72.58 |
| PUMP WATER* | | 54 AC. IN. | | | |
| SUBTOTAL | | | \$508.25 | | \$508.25 |

| EST OPERATI | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|---------------------|------------|---------------------|------------------|----------------|-----------------|----------------|----------------|-----------------|
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 |
| PLOW | 185 HP | 0.48 HR | | \$3.48 | \$18.89 | \$3.86 | \$7.41 | \$33.64 |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 |
| LASER (CUSTOM) | | | \$73.33 | | | | | \$73.33 |
| LISTER & SPRAY | 140 HP | 0.13 HR | | \$0.94 | \$3.86 | \$1.00 | \$2.56 | \$8.36 |
| FERTILIZE | 140 HP | 0.05 HR | | \$0.36 | \$1.48 | \$0.22 | \$0.66 | \$2.73 |
| PRE-IRRIGATE | | 0.75 HR | | \$5.44 | \$9.21 | \$0.26 | \$3.28 | \$18.20 |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 |
| PLANTER | 140 HP | 0.17 HR | | \$1.23 | \$5.05 | \$1.09 | \$3.95 | \$11.32 |
| CULTIVATOR (5X) | 80 HP | 0.65 HR | | \$4.71 | \$15.04 | \$3.36 | \$2.45 | \$25.57 |
| THIN & HOE (CUSTOM) | | | \$90.00 | | | | | \$90.00 |
| ROTO BUCK (7X) | 140 HP | 0.21 HR | | \$1.52 | \$6.24 | \$0.92 | \$3.09 | \$11.77 |
| IRRIGATE (14X) | | 7 HR | | \$50.75 | \$128.99 | \$3.71 | \$45.93 | \$229.38 |
| SUBTOTAL | | 9.85 HR | \$163.33 | \$71.41 | \$202.80 | \$17.25 | \$74.57 | \$529.37 |

HARVEST OPERATIONS

| | | | | | | | | |
|------------------------|---------|----------------|-------------------|----------------|-----------------|----------------|----------------|-------------------|
| HARVEST GREEN (CUSTOM) | | | \$1,089.00 | | | | | \$1,089.00 |
| HARVEST RED (CUSTOM) | | | \$0.00 | | | | | \$0.00 |
| HAUL | 3/4 TON | 6 HR | | \$43.50 | \$143.64 | \$28.65 | \$33.68 | \$249.47 |
| SUBTOTAL | | 6.00 HR | \$1,089.00 | \$43.50 | \$143.64 | \$28.65 | \$33.68 | \$1,338.47 |

POST HARVEST OPERATIONS

| | | | | | | | | |
|-----------------|-------|----------------|---------------|---------------|---------------|---------------|---------------|----------------|
| SHREDDER | 80 HP | 0.29 HR | | \$2.10 | \$6.71 | \$1.68 | \$2.20 | \$12.69 |
| SUBTOTAL | | 0.29 HR | \$0.00 | \$2.10 | \$6.71 | \$1.68 | \$2.20 | \$12.69 |

OVERHEAD EXPENSES

| | | | | | | | | |
|----------------------------|--|----------------|----------------|-----------------|--|--------|---------------|-----------------|
| DOWNTIME | | 0.565 HR | | \$4.10 | | | | \$4.10 |
| EMPLOYEE BENEFITS | | | | \$13.23 | | | | \$13.23 |
| INSURANCE | | | \$1.47 | | | | | \$1.47 |
| LAND TAXES | | | | | | \$1.86 | | \$1.86 |
| SUPERVISION AND MANAGEMENT | | | | \$148.52 | | | | \$148.52 |
| OTHER EXPENSES | | | \$75.27 | | | | | \$75.27 |
| SUBTOTAL | | 0.57 HR | \$76.74 | \$165.85 | | | \$1.86 | \$244.44 |

| | | | | | | | | |
|---------------------------------|--|-----------------|-------------------|-----------------|-----------------|----------------|-----------------|-------------------|
| TOTAL OPERATING EXPENSES | | 16.71 HR | \$1,837.32 | \$282.86 | \$353.15 | \$47.58 | \$112.31 | \$2,633.23 |
|---------------------------------|--|-----------------|-------------------|-----------------|-----------------|----------------|-----------------|-------------------|

| | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|-------------------|
| NET OPERATING PROFIT | | | | | | | | \$2,591.77 |
|-----------------------------|--|--|--|--|--|--|--|-------------------|

| | | | | | | | | |
|----------------------------------|---|----------|---|-------|---|--|--|---------|
| INTEREST ON OPERATING CAPITAL | (| \$414.95 | @ | 7.00% |) | | | \$29.05 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$44.72 |

| | | | | | | | | |
|--------------------------------|--|--|--|--|--|--|--|-------------------|
| RETURN TO LAND AND RISK | | | | | | | | \$2,518.00 |
|--------------------------------|--|--|--|--|--|--|--|-------------------|

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

BUDGET SUMMARY

| | | | |
|--------------------------------|------------|---|--|
| GROSS RETURN | | \$5,225.00 | |
| VARIABLE OPERATING EXPENSES | \$2,238.06 | | |
| RETURN OVER VARIABLE EXPENSES | \$2,986.94 | (GROSS MARGIN) | |
| FIXED EXPENSES | \$112.31 | | |
| NET FARM INCOME | \$2,874.63 | (RETURN TO CAPITAL, LABOR, LAND & RISK) | |
| LABOR AND MANAGEMENT COST | \$282.86 | | |
| NET OPERATING PROFIT | \$2,591.77 | (RETURN TO CAPITAL, LAND & RISK) | |
| CAPITAL COSTS | \$73.77 | | |
| RETURN TO LAND AND RISK | | \$2,518.00 | |

TABLE 10. Red chile, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County, Projected 2012.
Planting dates: March 15 - May 1
Harvesting dates: September 15 - January 31

| ITEM | PRICE | YIELD | | | | | | TOTAL |
|----------------------------------|------------|----------------------|-------------------|-----------------|-----------------|----------------|-------------------|-------------------|
| GROSS RETURNS | | | | | | | | |
| RED CHILE | \$1.00 | 4,000.00 LBS | | | | | | \$4,000.00 |
| TOTAL | | | | | | | \$4,000.00 | |
| PURCHASED INPUTS | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL |
| SEED | \$38.00 | 4 LBS | \$152.00 | | | | | \$152.00 |
| ANHYDROUS AMMONIA (NH3) | \$0.38 | 230 LBS | \$86.25 | | | | | \$86.25 |
| NITROGEN (N) | \$0.71 | 60 LBS | \$42.60 | | | | | \$42.60 |
| PHOSPHATE (P2O5) | \$0.65 | 150 LBS | \$97.50 | | | | | \$97.50 |
| HERBICIDE | \$15.54 | 1 ACRE | \$15.54 | | | | | \$15.54 |
| INSECTICIDE | \$15.54 | 1 ACRE | \$15.54 | | | | | \$15.54 |
| CROP INSURANCE | \$76.22 | 1 DOLLAR | \$76.22 | | | | | \$76.22 |
| PUMP WATER* | | 48 AC. IN. | | | | | | |
| SUBTOTAL | | | \$485.65 | | | | | \$485.65 |
| ST OPERATIONS | | | | | | | | |
| ST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 |
| PLOW | 185 HP | 0.48 HR | | \$3.48 | \$18.89 | \$3.86 | \$7.41 | \$33.64 |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 |
| DRAG (2X) | 80 HP | 0.2 HR | | \$1.45 | \$4.63 | \$0.42 | \$0.07 | \$6.57 |
| LISTER | 140 HP | 0.12 HR | | \$0.87 | \$3.56 | \$0.84 | \$2.04 | \$7.32 |
| FERTILIZE | 140 HP | 0.05 HR | | \$0.36 | \$1.48 | \$0.22 | \$0.66 | \$2.73 |
| PRE-IRRIGATE | | 0.75 HR | | \$5.44 | \$10.24 | \$0.29 | \$3.65 | \$19.61 |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 |
| PLANTER | 140 HP | 0.17 HR | | \$1.23 | \$5.05 | \$1.09 | \$3.95 | \$11.32 |
| CULTIVATOR (5X) | 80 HP | 0.65 HR | | \$4.71 | \$15.04 | \$3.36 | \$2.45 | \$25.57 |
| THIN & HOE (CUSTOM) | | | \$90.00 | | | | | \$90.00 |
| ROTO BUCK (7X) | 140 HP | 0.21 HR | | \$1.52 | \$6.24 | \$0.92 | \$3.09 | \$11.77 |
| IRRIGATE (11X) | | 5.5 HR | | \$39.88 | \$112.61 | \$3.24 | \$40.10 | \$195.82 |
| SUBTOTAL | | 8.54 HR | \$90.00 | \$61.92 | \$191.78 | \$17.07 | \$68.65 | \$429.41 |
| HARVEST OPERATIONS | | | | | | | | |
| HARVEST (CUSTOM) | | | \$880.00 | | | | | \$880.00 |
| HAUL | 3/4 TON | 3 HR | | \$21.75 | \$71.82 | \$14.33 | \$16.84 | \$124.74 |
| SUBTOTAL | | 3.00 HR | \$880.00 | \$21.75 | \$71.82 | \$14.33 | \$16.84 | \$1,004.74 |
| POST HARVEST OPERATIONS | | | | | | | | |
| SHREDDER | 80 HP | 0.29 HR | | \$2.10 | \$6.71 | \$2.24 | \$3.55 | \$14.60 |
| SUBTOTAL | | 0.29 HR | \$0.00 | \$2.10 | \$6.71 | \$2.24 | \$3.55 | \$14.60 |
| OVERHEAD EXPENSES | | | | | | | | |
| DOWNTIME | | 1.395 HR | | \$10.11 | | | | \$10.11 |
| EMPLOYEE BENEFITS | | | | \$15.06 | | | | \$15.06 |
| INSURANCE | | | \$1.67 | | | | \$1.67 | |
| LAND TAXES | | | | | | | \$1.86 | |
| SUPERVISION AND MANAGEMENT | | | | \$124.73 | | | | \$124.73 |
| OTHER EXPENSES | | | \$75.27 | | | | \$75.27 | |
| SUBTOTAL | | 1.40 HR | \$76.94 | \$149.91 | | | \$1.86 | \$228.71 |
| TOTAL OPERATING EXPENSES | | 13.23 HR | \$1,532.60 | \$235.67 | \$270.31 | \$33.63 | \$90.90 | \$2,163.11 |
| NET OPERATING PROFIT | | | | | | | \$1,836.89 | |
| INTEREST ON OPERATING CAPITAL | | (\$376.30 @ 7.00%) | | | | | \$26.34 | |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | \$31.45 | |
| RETURN TO LAND AND RISK | | | | | | | \$1,779.10 | |

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

BUDGET SUMMARY

| | | | |
|-------------------------------|------------|---|--|
| GROSS RETURN | | \$4,000.00 | |
| VARIABLE OPERATING EXPENSES | \$1,836.54 | | |
| RETURN OVER VARIABLE EXPENSES | \$2,163.46 | (GROSS MARGIN) | |
| FIXED EXPENSES | \$90.90 | | |
| NET FARM INCOME | \$2,072.56 | (RETURN TO CAPITAL, LABOR, LAND & RISK) | |
| LABOR AND MANAGEMENT COST | \$235.67 | | |
| NET OPERATING PROFIT | \$1,836.89 | (RETURN TO CAPITAL, LAND & RISK) | |
| CAPITAL COSTS | \$57.79 | | |
| RETURN TO LAND AND RISK | \$1,779.10 | | |

TABLE 11. Spring lettuce, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County, Projected 2012.
Planting dates: January 1 - February 5
Harvesting dates: May 15 - June 15

| ITEM | PRICE | YIELD | | | | | | TOTAL |
|----------------------------------|------------|----------------------|------------------|----------|-------------|---------|------------|-------------------|
| GROSS RETURNS | | | | | | | | |
| SPRING LETTUCE | \$5.91 | 475.00 | CARTONS | | | | | \$2,807.25 |
| TOTAL | | | | | | | | \$2,807.25 |
| ED INPUTS | | | | | | | | |
| ED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL |
| SEED | \$1.55 | 4 LBS | \$6.20 | | | | | \$6.20 |
| ANHYDROUS AMMONIA (NH3) | \$0.38 | 250 LBS | \$93.75 | | | | | \$93.75 |
| NITROGEN (N) | \$0.71 | 50 LBS | \$35.50 | | | | | \$35.50 |
| PHOSPHATE (P2O5) | \$0.65 | 150 LBS | \$97.50 | | | | | \$97.50 |
| INSECTICIDE | \$92.45 | 1 X/ACRE | \$92.45 | | | | | \$92.45 |
| PUMP WATER* | | 24 AC. IN. | | | | | | |
| SUBTOTAL | | | | | | | | \$325.40 |
| EST OPERATIO | | | | | | | | |
| EST OPERATIO | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 |
| PLOW | 185 HP | 0.48 HR | | \$3.48 | \$18.89 | \$3.86 | \$7.41 | \$33.64 |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 |
| LASER PLANE (CUSTOM) | | | \$73.33 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$73.33 |
| FERTILIZE | 140 HP | 0.05 HR | | \$0.36 | \$1.48 | \$0.22 | \$0.66 | \$2.73 |
| DISC & SPRAY | 185 HP | 0.17 HR | | \$1.23 | \$6.69 | \$1.38 | \$3.04 | \$12.34 |
| LISTER | 140 HP | 0.12 HR | | \$0.87 | \$3.56 | \$0.84 | \$2.04 | \$7.32 |
| PRE-IRRIGATE | | 0.75 HR | | \$5.44 | \$10.24 | \$0.29 | \$3.65 | \$19.61 |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 |
| VEG-PLANT SHAPER | 140 HP | 0.26 HR | | \$1.89 | \$7.72 | \$1.32 | \$9.70 | \$20.62 |
| CULT & SIDEDRESS (2X) | 80 HP | 0.66 HR | | \$4.79 | \$15.27 | \$3.61 | \$4.62 | \$28.29 |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 |
| THIN & HOE (CUSTOM) | | | \$120.00 | | | | | \$120.00 |
| SPRAY | 80 HP | 0.11 HR | | \$0.80 | \$2.55 | \$0.30 | \$0.55 | \$4.20 |
| DUSTER (CUSTOM) | | | \$5.00 | | | | | \$5.00 |
| ROTO BUCK (5X) | 140 HP | 0.15 HR | | \$1.09 | \$4.45 | \$0.66 | \$2.21 | \$8.41 |
| IRRIGATE (5X) | | 2.5 HR | | \$18.13 | \$51.19 | \$1.47 | \$18.23 | \$89.01 |
| SUBTOTAL | | | | | | | | \$455.25 |
| HARVEST OPERATIONS | | | | | | | | |
| HARVEST (CUSTOM) | | | | \$878.75 | | | | \$878.75 |
| CARTONS (CUSTOM) | | | | \$403.75 | | | | \$403.75 |
| HAUL (CUSTOM) | | | | \$142.50 | | | | \$142.50 |
| BROKERAGE (CUSTOM) | | | | \$259.67 | | | | \$259.67 |
| SUBTOTAL | | | | | | | | \$1,684.67 |
| OVERHEAD EXPENSES | | | | | | | | |
| DOWNTIME | | 0.5025 HR | | \$3.64 | | | | \$3.64 |
| EMPLOYEE BENEFITS | | | | \$7.56 | | | | \$7.56 |
| INSURANCE | | | \$0.84 | | | | | \$0.84 |
| LAND TAXES | | | | | | | \$1.86 | \$1.86 |
| SUPERVISION AND MANAGEMENT | | | | \$98.42 | | | | \$98.42 |
| OTHER EXPENSES | | | \$75.27 | | | | | \$75.27 |
| SUBTOTAL | | | | | | | | \$187.58 |
| TOTAL OPERATING EXPENSES | | | | | | | | \$2,652.91 |
| NET OPERATING PROFIT | | | | | | | | \$154.34 |
| INTEREST ON OPERATING CAPITAL | | (\$342.25 @ 7.00%) | | | | | | \$23.96 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | \$20.64 | |
| RETURN TO LAND AND RISK | | | | | | | | \$109.74 |

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

BUDGET SUMMARY

| | | | |
|-------------------------------|------------|------------|---|
| GROSS RETURN | | \$2,807.25 | |
| VARIABLE OPERATING EXPENSES | \$2,441.15 | | |
| RETURN OVER VARIABLE EXPENSES | | \$366.10 | (GROSS MARGIN) |
| FIXED EXPENSES | \$60.17 | | |
| NET FARM INCOME | | \$305.93 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$151.59 | | |
| NET OPERATING PROFIT | | \$154.34 | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$44.59 | | |
| RETURN TO LAND AND RISK | | \$109.74 | |

TABLE 12. Fall lettuce, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County, Projected 2012.
Planting dates: July 20 - August 10
Harvesting dates: October 1 - October 15

| ITEM | PRICE | YIELD | TOTAL |
|---------------|--------|----------------|------------|
| GROSS RETURNS | | | |
| FALL LETTUCE | \$5.78 | 500.00 CARTONS | \$2,890.00 |
| TOTAL | | | \$2,890.00 |

| ED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | FIXED COST | TOTAL |
|-------------------------|---------|------------|------------------|------------|----------|
| SEED | \$1.65 | 4 LBS | \$6.60 | | \$6.60 |
| ANHYDROUS AMMONIA (NH3) | \$0.38 | 250 LBS | \$93.75 | | \$93.75 |
| NITROGEN (N) | \$0.71 | 50 LBS | \$35.50 | | \$35.50 |
| PHOSPHATE (P2O5) | \$0.65 | 150 LBS | \$97.50 | | \$97.50 |
| HERBICIDE | \$18.56 | 1 X/ACRE | \$18.56 | | \$18.56 |
| INSECTICIDE | \$92.58 | 1 X/ACRE | \$92.58 | | \$92.58 |
| PUMP WATER* | | 40 AC. IN. | | | |
| SUBTOTAL | | | \$344.49 | | \$344.49 |

| EST OPERATIO | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|---------|-------------|---------|------------|----------|
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 |
| PLOW | 185 HP | 0.48 HR | | \$3.48 | \$18.89 | \$3.86 | \$7.41 | \$33.64 |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 |
| LASER PLANE (CUSTOM) | | | \$73.33 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$73.33 |
| FERTILIZE | 140 HP | 0.05 HR | | \$0.36 | \$1.48 | \$0.22 | \$0.66 | \$2.73 |
| DISC & SPRAY | 185 HP | 0.17 HR | | \$1.23 | \$6.69 | \$1.38 | \$3.04 | \$12.34 |
| LISTER | 140 HP | 0.12 HR | | \$0.87 | \$3.56 | \$0.84 | \$2.04 | \$7.32 |
| PRE-IRRIGATE | | 0.75 HR | | \$5.44 | \$12.80 | \$0.37 | \$4.56 | \$23.16 |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 |
| VEG-PLANT SHAPER | 140 HP | 0.26 HR | | \$1.89 | \$7.72 | \$1.32 | \$9.70 | \$20.62 |
| CULT & SIDEDRESS (2X) | 80 HP | 0.66 HR | | \$4.79 | \$15.27 | \$3.61 | \$4.62 | \$28.29 |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 |
| THIN & HOE (CUSTOM) | | | \$180.00 | | | | | \$180.00 |
| SPRAY | 80 HP | 0.11 HR | | \$0.80 | \$2.55 | \$0.30 | \$0.55 | \$4.20 |
| DUSTER (CUSTOM) | | | \$15.00 | | | | | \$15.00 |
| ROTO BUCK (7X) | 140 HP | 0.21 HR | | \$1.52 | \$6.24 | \$0.92 | \$3.09 | \$11.77 |
| IRRIGATE (7X) | | 3.5 HR | | \$25.38 | \$89.58 | \$2.57 | \$31.90 | \$149.42 |
| SUBTOTAL | | 6.85 HR | \$268.33 | \$49.66 | \$181.82 | \$18.98 | \$73.78 | \$592.57 |

HARVEST OPERATIONS

| | | | | | | | | |
|--------------------|--|---------|------------|--------|--------|--------|--------|------------|
| HARVEST (CUSTOM) | | | \$925.00 | | | | | \$925.00 |
| CARTONS (CUSTOM) | | | \$425.00 | | | | | \$425.00 |
| HAUL (CUSTOM) | | | \$150.00 | | | | | \$150.00 |
| BROKERAGE (CUSTOM) | | | \$267.33 | | | | | \$267.33 |
| SUBTOTAL | | 0.00 HR | \$1,767.33 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$1,767.33 |

OVERHEAD EXPENSES

| | | | | | | | | |
|----------------------------|--|-----------|---------|----------|--|--|--------|----------|
| DOWNTIME | | 0.5175 HR | | \$3.75 | | | | \$3.75 |
| EMPLOYEE BENEFITS | | | | \$8.94 | | | | \$8.94 |
| INSURANCE | | | \$0.99 | | | | | \$0.99 |
| LAND TAXES | | | | | | | \$1.86 | \$1.86 |
| SUPERVISION AND MANAGEMENT | | | | \$117.71 | | | | \$117.71 |
| OTHER EXPENSES | | | \$75.27 | | | | | \$75.27 |
| SUBTOTAL | | 0.52 HR | \$76.26 | \$130.40 | | | \$1.86 | \$208.53 |

TOTAL OPERATING EXPENSES

7.37 HR \$2,456.41 \$180.07 \$181.82 \$18.98 \$75.63 \$2,912.92

NET OPERATING PROFIT

(\$22.92)

| | | | | | | |
|----------------------------------|---|----------|---|-------|---|---------|
| INTEREST ON OPERATING CAPITAL | (| \$369.72 | @ | 7.00% |) | \$25.88 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | \$22.36 |

RETURN TO LAND AND RISK

(\$71.15)

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

BUDGET SUMMARY

| | | |
|-------------------------------|------------|---|
| GROSS RETURN | | \$2,890.00 |
| VARIABLE OPERATING EXPENSES | \$2,657.22 | |
| RETURN OVER VARIABLE EXPENSES | \$232.78 | (GROSS MARGIN) |
| FIXED EXPENSES | \$75.63 | |
| NET FARM INCOME | \$157.15 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$180.07 | |
| NET OPERATING PROFIT | (\$22.92) | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$48.24 | |
| RETURN TO LAND AND RISK | (\$71.15) | |

TABLE 13. Fall onions, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County, Projected 2012.
Planting dates: October 1 - October 31
Harvesting dates: June 1 - July 15

| ITEM | PRICE | YIELD | | | | | | TOTAL | |
|----------------------------------|------------|----------------------|-------------------|-----------------|-----------------|----------------|----------------|-------------------|-----------------|
| GROSS RETURNS | | | | | | | | | |
| FALL ONIONS | \$7.64 | 820.00 SACKS | | | | | | \$6,264.80 | |
| TOTAL | | | | | | | | \$6,264.80 | |
| PURCHASED INPUTS | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | | FIXED COST | TOTAL |
| SEED | \$85.00 | 4 LBS | \$340.00 | | | | | | \$340.00 |
| ANHYDROUS AMMONIA (NH3) | \$0.38 | 450 LBS | \$168.75 | | | | | | \$168.75 |
| NITROGEN (N) | \$0.71 | 75 LBS | \$53.25 | | | | | | \$53.25 |
| PHOSPHATE (P2O5) | \$0.65 | 180 LBS | \$117.00 | | | | | | \$117.00 |
| HERBICIDE | \$22.26 | 1 X/ACRE | \$22.26 | | | | | | \$22.26 |
| INSECTICIDE | \$84.85 | 1 X/ACRE | \$84.85 | | | | | | \$84.85 |
| PUMP WATER* | | 56 AC. IN. | | | | | | | |
| SUBTOTAL | | | \$786.11 | | | | | | \$786.11 |
| ST OPERATIO | | | | | | | | | |
| ST OPERATIO | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 | |
| PLOW | 185 HP | 0.48 HR | | \$3.48 | \$18.89 | \$3.86 | \$7.41 | \$33.64 | |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 | |
| LASER PLANE (CUSTOM) | | | \$73.33 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$73.33 | |
| FERTILIZE | 140 HP | 0.05 HR | | \$0.36 | \$1.48 | \$0.22 | \$0.66 | \$2.73 | |
| DISC & SPRAY | 185 HP | 0.17 HR | | \$1.23 | \$6.69 | \$1.38 | \$3.04 | \$12.34 | |
| LISTER | 140 HP | 0.12 HR | | \$0.87 | \$3.56 | \$0.84 | \$2.04 | \$7.32 | |
| PRE-IRRIGATE | | 0.75 HR | | \$5.44 | \$10.24 | \$0.29 | \$3.65 | \$19.61 | |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 | |
| VEG-PLANT SHAPER | 140 HP | 0.26 HR | | \$1.89 | \$7.72 | \$1.32 | \$9.70 | \$20.62 | |
| CULT & SIDEDRESS (2X) | 80 HP | 0.66 HR | | \$4.79 | \$15.27 | \$3.61 | \$4.62 | \$28.29 | |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 | |
| THIN & HOE (CUSTOM) | | | \$120.00 | | | | | \$120.00 | |
| ROTO BUCK (9X) | 140 HP | 0.27 HR | | \$1.96 | \$8.02 | \$1.19 | \$3.97 | \$15.14 | |
| IRRIGATE (13X) | | 6.5 HR | | \$47.13 | \$133.09 | \$3.82 | \$47.39 | \$231.42 | |
| SUBTOTAL | | 9.80 HR | \$193.33 | \$71.05 | \$222.01 | \$20.12 | \$88.69 | \$595.20 | |
| HARVEST OPERATIONS | | | | | | | | | |
| ONION KNIVES | 80 HP | 0.27 HR | | \$1.96 | \$6.25 | \$0.81 | \$4.17 | \$13.19 | |
| HARVEST & HAUL (CUSTOM) | | | \$902.00 | | | | | \$902.00 | |
| BAG RENTAL | | | \$82.00 | | | | | \$82.00 | |
| FIELD LOAD (CUSTOM) | | | \$0.00 | | | | | \$0.00 | |
| PROCESSING (CUSTOM) | | | \$1,558.00 | | | | | \$1,558.00 | |
| CONTAINER CHARGE | | | \$328.00 | | | | | \$328.00 | |
| BROKERAGE (CUSTOM) | | | \$563.83 | | | | | \$563.83 | |
| SUBTOTAL | | 0.27 HR | \$3,433.83 | \$1.96 | \$6.25 | \$0.81 | \$4.17 | \$3,447.02 | |
| OVERHEAD EXPENSES | | | | | | | | | |
| DOWNTIME | | 0.6 HR | | \$4.35 | | | | \$4.35 | |
| EMPLOYEE BENEFITS | | | | \$13.14 | | | | \$13.14 | |
| INSURANCE | | | \$1.46 | | | | | \$1.46 | |
| LAND TAXES | | | | | | | \$1.86 | \$1.86 | |
| SUPERVISION AND MANAGEMENT | | | | \$172.90 | | | | \$172.90 | |
| OTHER EXPENSES | | | \$75.27 | | | | | \$75.27 | |
| SUBTOTAL | | 0.60 HR | \$76.73 | \$190.39 | | | \$1.86 | \$268.98 | |
| TOTAL OPERATING EXPENSES | | 10.67 HR | \$4,490.00 | \$263.40 | \$228.26 | \$20.93 | \$94.72 | \$5,097.31 | |
| NET OPERATING PROFIT | | | | | | | | \$1,167.49 | |
| INTEREST ON OPERATING CAPITAL | | (\$740.33 @ 7.00%) | | | | | | \$51.82 | |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$26.13 | |
| RETURN TO LAND AND RISK | | | | | | | | \$1,089.54 | |

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

BUDGET SUMMARY

| | | | |
|-------------------------------|------------|------------|---|
| GROSS RETURN | | \$6,264.80 | |
| VARIABLE OPERATING EXPENSES | \$4,739.19 | | |
| RETURN OVER VARIABLE EXPENSES | | \$1,525.61 | (GROSS MARGIN) |
| FIXED EXPENSES | \$94.72 | | |
| NET FARM INCOME | | \$1,430.89 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$263.40 | | |
| NET OPERATING PROFIT | | \$1,167.49 | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$77.95 | | |
| RETURN TO LAND AND RISK | | \$1,089.54 | |

TABLE 14. Midseason yellow onions, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County, Projected 2005
 Planting dates: January 15 - February 15
 Harvesting dates: June 1 - July 15

| ITEM | PRICE | YIELD | | | | | | TOTAL | |
|----------------------------------|------------|---------------------|------------------------|-----------------|-----------------|----------------|----------------|-------------------|-------------------|
| GROSS RETURNS | | | | | | | | | |
| MIDSEASON YELLOW ONIONS | \$7.98 | 670.00 | SACKS | | | | | \$5,346.60 | |
| TOTAL | | | | | | | | \$5,346.60 | |
| PURCHASED INPUTS | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | | FIXED COST | TOTAL |
| SEED | \$235.00 | 4 LBS | \$940.00 | | | | | | \$940.00 |
| ANHYDROUS AMMONIA (NH3) | \$0.38 | 450 LBS | \$168.75 | | | | | | \$168.75 |
| NITROGEN (N) | \$0.71 | 75 LBS | \$53.25 | | | | | | \$53.25 |
| PHOSPHATE (P2O5) | \$0.65 | 180 LBS | \$117.00 | | | | | | \$117.00 |
| HERBICIDE | \$64.72 | 1 X/ACRE | \$64.72 | | | | | | \$64.72 |
| INSECTICIDE | \$76.22 | 1 X/ACRE | \$76.22 | | | | | | \$76.22 |
| PUMP WATER* | | 48 AC. IN. | | | | | | | |
| SUBTOTAL | | | \$1,419.94 | | | | | | \$1,419.94 |
| ST OPERATIONS | | | | | | | | | |
| ST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 | |
| PLOW | 185 HP | 0.48 HR | | \$3.48 | \$18.89 | \$3.86 | \$7.41 | \$33.64 | |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 | |
| LASER PLANE (CUSTOM) | | | \$73.33 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$73.33 | |
| FERTILIZE | 140 HP | 0.05 HR | | \$0.36 | \$1.48 | \$0.22 | \$0.66 | \$2.73 | |
| DISC & SPRAY | 185 HP | 0.17 HR | | \$1.23 | \$6.69 | \$1.38 | \$3.04 | \$12.34 | |
| LISTER | 126 HP | 0.12 HR | | \$0.87 | \$3.56 | \$0.84 | \$2.04 | \$7.32 | |
| PRE-IRRIGATE | | 0.75 HR | | \$5.44 | \$8.78 | \$0.25 | \$3.12 | \$17.59 | |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 | |
| VEG-PLANT SHAPER | 140 HP | 0.26 HR | | \$1.89 | \$7.72 | \$1.32 | \$9.70 | \$20.62 | |
| CULT & SIDEDRESS (2X) | 80 HP | 0.66 HR | | \$4.79 | \$15.27 | \$3.61 | \$4.62 | \$28.29 | |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 | |
| THIN & HOE (CUSTOM) | | | \$120.00 | | | | | \$120.00 | |
| ROTO BUCK (9X) | 140 HP | 0.27 HR | | \$1.96 | \$8.02 | \$1.19 | \$3.97 | \$15.14 | |
| IRRIGATE (13X) | | 6.5 HR | | \$47.13 | \$114.08 | \$3.28 | \$40.62 | \$205.10 | |
| SUBTOTAL | | 9.80 HR | \$193.33 | \$71.05 | \$201.53 | \$19.53 | \$81.40 | \$566.84 | |
| HARVEST OPERATIONS | | | | | | | | | |
| ONION KNIVES | 80 HP | 0.27 HR | | \$1.96 | \$6.25 | \$0.81 | \$4.17 | \$13.19 | |
| HARVEST & HAUL (CUSTOM) | | | \$737.00 | | | | | \$737.00 | |
| BAG RENTAL | | | \$67.00 | | | | | \$67.00 | |
| FIELD LOAD (CUSTOM) | | | \$0.00 | | | | | \$0.00 | |
| PROCESSING (CUSTOM) | | | \$1,273.00 | | | | | \$1,273.00 | |
| CONTAINER CHARGE | | | \$268.00 | | | | | \$268.00 | |
| BROKERAGE (CUSTOM) | | | \$481.19 | | | | | \$481.19 | |
| SUBTOTAL | | 0.27 HR | \$2,826.19 | \$1.96 | \$6.25 | \$0.81 | \$4.17 | \$2,839.38 | |
| OVERHEAD EXPENSES | | | | | | | | | |
| DOWNTIME | | 0.6 HR | | \$4.35 | | | | \$4.35 | |
| EMPLOYEE BENEFITS | | | | \$13.14 | | | | \$13.14 | |
| INSURANCE | | | \$1.46 | | | | | \$1.46 | |
| LAND TAXES | | | | | | | \$1.86 | \$1.86 | |
| SUPERVISION AND MANAGEMENT | | | | \$233.45 | | | | \$233.45 | |
| OTHER EXPENSES | | | \$75.27 | | | | | \$75.27 | |
| SUBTOTAL | | 0.60 HR | \$76.73 | \$250.94 | | | \$1.86 | \$329.53 | |
| TOTAL OPERATING EXPENSES | | 10.67 HR | \$4,516.19 | \$323.95 | \$207.78 | \$20.34 | \$87.43 | \$5,155.69 | |
| NET OPERATING PROFIT | | | | | | | | \$190.91 | |
| INTEREST ON OPERATING CAPITAL | | | (\$1,001.34 @ 7.00%) | | | | | \$70.09 | |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$25.48 | |
| RETURN TO LAND AND RISK | | | | | | | | \$95.33 | |

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

BUDGET SUMMARY

| | | | |
|-------------------------------|------------|------------|---|
| GROSS RETURN | | \$5,346.60 | |
| VARIABLE OPERATING EXPENSES | \$4,744.32 | | |
| RETURN OVER VARIABLE EXPENSES | | \$602.28 | (GROSS MARGIN) |
| FIXED EXPENSES | \$87.43 | | |
| NET FARM INCOME | | \$514.85 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$323.95 | | |
| NET OPERATING PROFIT | | \$190.91 | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$95.58 | | |
| RETURN TO LAND AND RISK | | \$95.33 | |

TABLE 15. Late season onions, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County, Projected 2012.
 Planting dates: January 15 - February 15
 Harvesting dates: August 1 - August 15

| ITEM | PRICE | YIELD | | | | | | TOTAL | |
|----------------------------------|------------|---------------------|-------------------|-----------------|-----------------|----------------|----------------|-------------------|-------------------|
| GROSS RETURNS | | | | | | | | | |
| LATE SEASON ONIONS | \$7.15 | 820.00 | SACKS | | | | | \$5,863.00 | |
| TOTAL | | | | | | | | \$5,863.00 | |
| PURCHASED INPUTS | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | | FIXED COST | TOTAL |
| SEED | \$235.00 | 4 LBS | \$940.00 | | | | | | \$940.00 |
| ANHYDROUS AMMONIA (NH3) | \$0.38 | 400 LBS | \$150.00 | | | | | | \$150.00 |
| NITROGEN (N) | \$0.71 | 75 LBS | \$53.25 | | | | | | \$53.25 |
| PHOSPHATE (P2O5) | \$0.65 | 180 LBS | \$117.00 | | | | | | \$117.00 |
| HERBICIDE | \$64.72 | 1 X/ACRE | \$64.72 | | | | | | \$64.72 |
| INSECTICIDE | \$76.22 | 1 X/ACRE | \$76.22 | | | | | | \$76.22 |
| PUMP WATER* | | 48 AC. IN. | | | | | | | |
| SUBTOTAL | | | \$1,401.19 | | | | | | \$1,401.19 |
| ST OPERATIONS | | | | | | | | | |
| ST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 | |
| PLOW | 185 HP | 0.48 HR | | \$3.48 | \$18.89 | \$3.86 | \$7.41 | \$33.64 | |
| DISC | 185 HP | 0.14 HR | | \$1.02 | \$5.51 | \$1.04 | \$2.12 | \$9.69 | |
| LASER PLANE (CUSTOM) | | | \$73.33 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$73.33 | |
| FERTILIZE | 140 HP | 0.05 HR | | \$0.36 | \$1.48 | \$0.22 | \$0.66 | \$2.73 | |
| DISC & SPRAY | 185 HP | 0.17 HR | | \$1.23 | \$6.69 | \$1.38 | \$3.04 | \$12.34 | |
| LISTER | 140 HP | 0.12 HR | | \$0.87 | \$3.56 | \$0.84 | \$2.04 | \$7.32 | |
| PRE-IRRIGATE | | 0.75 HR | | \$5.44 | \$8.78 | \$0.25 | \$3.12 | \$17.59 | |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 | |
| VEG-PLANT SHAPER | 140 HP | 0.26 HR | | \$1.89 | \$7.72 | \$1.32 | \$9.70 | \$20.62 | |
| CULT & SIDEDRESS (2X) | 80 HP | 0.66 HR | | \$4.79 | \$15.27 | \$3.61 | \$4.62 | \$28.29 | |
| ROLLING CULT | 80 HP | 0.13 HR | | \$0.94 | \$3.01 | \$0.75 | \$0.99 | \$5.69 | |
| THIN & HOE (CUSTOM) | | | \$120.00 | | | | | \$120.00 | |
| ROTO BUCK (9X) | 140 HP | 0.27 HR | | \$1.96 | \$8.02 | \$1.19 | \$3.97 | \$15.14 | |
| IRRIGATE (13X) | | 6.5 HR | | \$47.13 | \$114.08 | \$3.28 | \$40.62 | \$205.10 | |
| SUBTOTAL | | 9.80 HR | \$193.33 | \$71.05 | \$201.53 | \$19.53 | \$81.40 | \$566.84 | |
| HARVEST OPERATIONS | | | | | | | | | |
| ONION KNIVES | 80 HP | 0.27 HR | | \$1.96 | \$6.25 | \$0.81 | \$4.17 | \$13.19 | |
| HARVEST & HAUL (CUSTOM) | | | \$902.00 | | | | | \$902.00 | |
| BAG RENTAL | | | \$82.00 | | | | | \$82.00 | |
| FIELD LOAD (CUSTOM) | | | \$0.00 | | | | | \$0.00 | |
| PROCESSING (CUSTOM) | | | \$1,558.00 | | | | | \$1,558.00 | |
| CONTAINER CHARGE | | | \$328.00 | | | | | \$328.00 | |
| BROKERAGE (CUSTOM) | | | \$527.67 | | | | | \$527.67 | |
| SUBTOTAL | | 0.27 HR | \$3,397.67 | \$1.96 | \$6.25 | \$0.81 | \$4.17 | \$3,410.86 | |
| OVERHEAD EXPENSES | | | | | | | | | |
| DOWNTIME | | 0.6 HR | | \$4.35 | | | | \$4.35 | |
| EMPLOYEE BENEFITS | | | | \$13.14 | | | | \$13.14 | |
| INSURANCE | | | \$1.46 | | | | | \$1.46 | |
| LAND TAXES | | | | | | | \$1.86 | \$1.86 | |
| SUPERVISION AND MANAGEMENT | | | | \$231.57 | | | | \$231.57 | |
| OTHER EXPENSES | | | \$75.27 | | | | | \$75.27 | |
| SUBTOTAL | | 0.60 HR | \$76.73 | \$249.07 | | | \$1.86 | \$327.66 | |
| TOTAL OPERATING EXPENSES | | 10.67 HR | \$5,068.92 | \$322.07 | \$207.78 | \$20.34 | \$87.43 | \$5,706.54 | |
| NET OPERATING PROFIT | | | | | | | | \$156.46 | |
| INTEREST ON OPERATING CAPITAL | | (\$1,039.59 @ | 7.00% |) | | | | \$72.77 | |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$25.48 | |
| RETURN TO LAND AND RISK | | | | | | | | \$58.20 | |

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

BUDGET SUMMARY

| | | | |
|-------------------------------|------------|------------|---|
| GROSS RETURN | | \$5,863.00 | |
| VARIABLE OPERATING EXPENSES | \$5,297.05 | | |
| RETURN OVER VARIABLE EXPENSES | | \$565.95 | (GROSS MARGIN) |
| FIXED EXPENSES | \$87.43 | | |
| NET FARM INCOME | | \$478.53 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$322.07 | | |
| NET OPERATING PROFIT | | \$156.46 | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$98.26 | | |
| RETURN TO LAND AND RISK | | \$58.20 | |

TABLE 16. Summary of per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County, Projected 2012.

| | WHEAT | GRAIN SORGHUM | PICKER COTTON | GREEN CHILE | RED CHILE | SPRING LETTUCE | FALL LETTUCE | FALL ONIONS | MIDSEASON ONIONS | LATE ONIONS |
|----------------------------------|----------|---------------|---------------|-------------|------------|----------------|--------------|-------------|------------------|-------------|
| | CWT | CWT | LBS | TONS/LBS | LBS | CARTONS | CARTONS | SACKS | SACKS | SACKS |
| PRIMARY YIELD | 50 | 70 | 750 | 11 | 4,000 | 475 | 500 | 820 | 670 | 820 |
| PRIMARY PRICE | \$10.83 | \$8.63 | \$0.85 | \$475.00 | \$1.00 | \$5.91 | \$5.78 | \$7.64 | \$7.98 | \$7.15 |
| GOVERNMENT PAYMENTS | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| SECOND INCOME | \$0.00 | \$0.00 | \$84.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| GROSS RETURN | \$541.67 | \$603.75 | \$721.50 | \$5,225.00 | \$4,000.00 | \$2,807.25 | \$2,890.00 | \$6,264.80 | \$5,346.60 | \$5,863.00 |
| CASH OPERATING EXPENSES | | | | | | | | | | |
| SEED | \$50.00 | \$15.76 | \$144.00 | \$152.00 | \$152.00 | \$6.20 | \$6.60 | \$340.00 | \$940.00 | \$940.00 |
| FERTILIZER | \$167.05 | \$141.80 | \$129.55 | \$252.60 | \$226.35 | \$226.75 | \$226.75 | \$339.00 | \$339.00 | \$320.25 |
| CHEMICALS | | \$45.65 | \$26.70 | \$31.08 | \$31.08 | \$92.45 | \$111.14 | \$107.11 | \$140.94 | \$140.94 |
| CROP INSURANCE | \$0.74 | \$0.53 | \$0.18 | \$72.58 | \$76.22 | | | | | |
| OTHER PURCHASED INPUTS | | | | | | | | | | |
| CANAL WATER | | | | | | | | | | |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | \$21.42 | \$63.46 | \$123.53 | \$214.95 | \$147.46 | \$77.67 | \$79.45 | \$84.93 | \$84.93 | \$84.93 |
| FUEL-IRRIGATION | \$51.19 | \$76.78 | \$66.54 | \$138.21 | \$122.85 | \$61.43 | \$102.38 | \$143.33 | \$122.85 | \$122.85 |
| REPAIRS | \$5.58 | \$14.42 | \$16.49 | \$47.58 | \$33.63 | \$17.54 | \$18.98 | \$20.93 | \$20.34 | \$20.34 |
| CUSTOM CHARGES | \$35.50 | \$28.30 | \$189.20 | \$1,252.33 | \$970.00 | \$1,883.00 | \$2,035.66 | \$3,627.16 | \$3,019.52 | \$3,591.00 |
| LAND TAXES | \$1.86 | \$1.86 | \$1.86 | \$1.86 | \$1.86 | \$1.86 | \$1.86 | \$1.86 | \$1.86 | \$1.86 |
| OTHER EXPENSES | \$75.65 | \$76.03 | \$76.32 | \$76.74 | \$76.94 | \$76.11 | \$76.26 | \$76.73 | \$76.73 | \$76.73 |
| TOTAL CASH EXPENSES | \$408.98 | \$464.61 | \$774.38 | \$2,239.92 | \$1,838.39 | \$2,443.01 | \$2,659.07 | \$4,741.05 | \$4,746.18 | \$5,298.90 |
| RETURN OVER CASH EXPENSES | \$132.69 | \$139.14 | (\$52.88) | \$2,985.08 | \$2,161.61 | \$364.24 | \$230.93 | \$1,523.75 | \$600.42 | \$564.10 |
| FIXED EXPENSES | \$34.15 | \$53.76 | \$98.67 | \$110.45 | \$89.04 | \$58.31 | \$73.78 | \$92.86 | \$85.57 | \$85.57 |
| TOTAL EXPENSES | \$443.13 | \$518.37 | \$873.05 | \$2,350.37 | \$1,927.44 | \$2,501.32 | \$2,732.85 | \$4,833.91 | \$4,831.75 | \$5,384.47 |
| NET FARM INCOME | \$98.54 | \$85.38 | (\$151.55) | \$2,874.63 | \$2,072.56 | \$305.93 | \$157.15 | \$1,430.89 | \$514.85 | \$478.53 |
| LABOR AND MANAGEMENT COSTS | \$63.87 | \$95.27 | \$125.01 | \$282.86 | \$235.67 | \$151.59 | \$180.07 | \$263.40 | \$323.95 | \$322.07 |
| NET OPERATING PROFIT | \$34.66 | (\$9.89) | (\$276.56) | \$2,591.77 | \$1,836.89 | \$154.34 | (\$22.92) | \$1,167.49 | \$190.91 | \$156.46 |
| CAPITAL COSTS | | | | | | | | | | |
| INTEREST ON OPERATING CAPITAL | \$9.20 | \$10.00 | \$14.32 | \$29.05 | \$26.34 | \$23.96 | \$25.88 | \$51.82 | \$70.09 | \$72.77 |
| INTEREST ON EQUIPMENT INVESTMENT | \$8.43 | \$16.17 | \$29.77 | \$44.72 | \$31.45 | \$20.64 | \$22.36 | \$26.13 | \$25.48 | \$25.48 |
| TOTAL CAPITAL COSTS | \$17.63 | \$26.17 | \$44.09 | \$73.77 | \$57.79 | \$44.59 | \$48.24 | \$77.95 | \$95.58 | \$98.26 |
| RETURN TO LAND AND RISK | \$17.03 | (\$36.06) | (\$320.65) | \$2,518.00 | \$1,779.10 | \$109.74 | (\$71.15) | \$1,089.54 | \$95.33 | \$58.20 |

TABLE 17. Whole farm summary, Deming area, Luna County,
Projected 2012.

| | | |
|----------------------------------|--------------|------------------|
| GROSS RETURNS | | |
| WHEAT | 68.00 ACRES | |
| CROP | | \$36,833 |
| DIRECT PAYMENT | | \$0 |
| COUNTER CYCLICAL PAYMENT | | \$0 |
| GRAIN SORGHUM | 93.50 ACRES | |
| CROP | | \$56,451 |
| DIRECT PAYMENT | | \$0 |
| COUNTER CYCLICAL PAYMENT | | \$0 |
| UPLAND COTTON | 348.50 ACRES | |
| LINT | | \$222,169 |
| SEED | | \$29,274 |
| DIRECT PAYMENT | | \$0 |
| COUNTER CYCLICAL PAYMENT | | \$0 |
| GREEN CHILE | 40.00 ACRES | |
| GREEN | | \$209,000 |
| RED | | \$0 |
| RED CHILE | 40.00 ACRES | |
| CROP | | \$160,000 |
| SPRING LETTUCE | 10.00 ACRES | |
| CROP | | \$28,073 |
| FALL LETTUCE | 10.00 ACRES | |
| CROP | | \$28,900 |
| FALL ONIONS | 10.00 ACRES | |
| CROP | | \$62,648 |
| MIDSEASON ONIONS | 10.00 ACRES | |
| CROP | | \$53,466 |
| LATE SEASON ONIONS | 10.00 ACRES | |
| CROP | | \$58,630 |
| GROSS RETURN | | <u>\$945,443</u> |
| CASH OPERATING EXPENSES | | |
| SEED | | \$89,546 |
| FERTILIZER | | \$103,441 |
| CHEMICALS | | \$21,986 |
| CROP INSURANCE | | \$6,102 |
| OTHER PURCHASED INPUTS | | \$0 |
| CANAL WATER | | \$0 |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | | \$69,056 |
| FUEL-IRRIGATION | | \$49,821 |
| REPAIRS | | \$11,707 |
| CUSTOM CHARGES | | \$301,453 |
| LAND TAXES | | \$1,190 |
| OTHER EXPENSES | | \$48,824 |
| TOTAL CASH EXPENSES | | <u>\$703,125</u> |
| RETURN OVER CASH EXPENSES | | \$242,318 |
| FIXED EXPENSES | | \$53,674 |
| TOTAL EXPENSES | | \$756,799 |
| NET FARM INCOME | | \$188,644 |
| LABOR AND MANAGEMENT COSTS | | \$89,971 |
| NET OPERATING PROFIT | | \$98,673 |
| CAPITAL COSTS | | |
| INTEREST ON OPERATING CAPITAL | | \$11,212 |
| INTEREST ON EQUIPMENT INVESTMENT | | \$16,706 |
| TOTAL CAPITAL COSTS | | <u>\$27,918</u> |
| RETURN TO LAND AND RISK | | <u>\$70,755</u> |

| LAND VALUE | RETURN TO RISK* | RETURN ON INVESTMENT** |
|---------------|-----------------|------------------------|
| \$500 /ACRE | \$61,155 | 13.53% |
| \$700 /ACRE | \$57,315 | 11.51% |
| \$900 /ACRE | \$53,475 | 10.01% |
| \$1,100 /ACRE | \$49,635 | 8.86% |
| \$1,300 /ACRE | \$45,795 | 7.95% |
| \$1,500 /ACRE | \$41,955 | 7.21% |

* 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)