

TABLE 5. Grain sorghum, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Causey-Lingo area, Roosevelt County, Projected 2015  
 Planting Dates: May 15 - May 30  
 Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE					TOTAL
<b>GROSS RETURNS</b>								
GRAIN SORGHUM	\$7.06	15.00 CWT						\$105.96
DIRECT PAYMENT	\$0.00	15.00 CWT	0.85					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT						\$0.00
GRAZING	\$5.00	1 ACRE						\$5.00
<b>TOTAL</b>								<b>\$110.96</b>
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$1.31	3 LBS	\$3.93					\$3.93
INSECTICIDE	\$15.88	1 X/ACRE	\$15.88					\$15.88
CROP INSURANCE	\$0.14		\$0.14					\$0.14
<b>SUBTOTAL</b>			<b>\$19.95</b>					<b>\$19.95</b>
<b>PREHARVEST OPERATIONS</b>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	165 HP	0.11 HR		\$0.94	\$3.45	\$1.62	\$2.20	\$8.21
STUBBLE MULCH	165 HP	0.10 HR		\$0.86	\$3.14	\$1.34	\$2.52	\$7.86
LISTER	165 HP	0.09 HR		\$0.77	\$2.82	\$0.84	\$1.62	\$6.05
ROD WEED	165 HP	0.05 HR		\$0.43	\$1.57	\$0.34	\$0.75	\$3.09
PLANTER	93 HP	0.12 HR		\$1.03	\$1.83	\$0.43	\$2.60	\$5.88
CULTIVATOR	93 HP	0.10 HR		\$0.86	\$1.52	\$0.59	\$0.46	\$3.43
SPRAYER	93 HP	0.06 HR		\$0.51	\$0.91	\$0.10	\$0.63	\$2.16
<b>SUBTOTAL</b>		<b>0.63 HR</b>		<b>\$5.39</b>	<b>\$15.25</b>	<b>\$5.26</b>	<b>\$10.78</b>	<b>\$36.67</b>
<b>HARVEST OPERATIONS</b>								
COMBINE		0.14 HR		\$1.20	\$4.09	\$0.39	\$13.72	\$19.40
HAUL	2 TON	0.14 HR		\$1.20	\$3.11	\$0.90	\$1.78	\$6.99
<b>SUBTOTAL</b>		<b>0.28 HR</b>		<b>\$2.39</b>	<b>\$7.21</b>	<b>\$1.29</b>	<b>\$15.50</b>	<b>\$26.39</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.12 HR		\$1.00				\$1.00
EMPLOYEE BENEFITS				\$1.40				\$1.40
INSURANCE			\$0.16					\$0.16
LAND TAXES							\$0.55	\$0.55
SUPERVISION AND MANAGEMENT				\$8.14				\$8.14
OTHER EXPENSES			\$29.12					\$29.12
<b>SUBTOTAL</b>		<b>0.12 HR</b>	<b>\$29.27</b>	<b>\$10.55</b>			<b>\$0.55</b>	<b>\$40.37</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.03 HR</b>	<b>\$49.23</b>	<b>\$18.33</b>	<b>\$22.45</b>	<b>\$6.56</b>	<b>\$26.82</b>	<b>\$123.39</b>
<b>NET OPERATING PROFIT</b>								<b>(\$12.42)</b>
INTEREST ON OPERATING CAPITAL		( \$15.81 @	5.50%	)				\$0.87
INTEREST ON EQUIPMENT INVESTMENT								\$9.40
<b>RETURN TO LAND AND RISK</b>								<b>(\$22.69)</b>

<b>BUDGET SUMMARY</b>			
GROSS RETURN		\$110.96	
VARIABLE OPERATING EXPENSES	\$78.24		
RETURN OVER VARIABLE EXPENSES		\$32.73	(GROSS MARGIN)
FIXED EXPENSES	\$26.82		
NET FARM INCOME		\$5.90	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$18.33		
NET OPERATING PROFIT		(\$12.42)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$10.27		
RETURN TO LAND AND RISK		(\$22.69)	

TABLE 6. Upland cotton (stripper), dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Causey-Lingo area, Roosevelt County, Projected 2015  
 Planting Dates: May 1 - June 10  
 Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE					TOTAL
<b>GROSS RETURNS</b>								
LINT	\$0.85	250.00 LBS						\$212.50
SEED	\$0.09	400 LBS						\$36.00
DIRECT PAYMENT	\$0.0000	250.00 LBS	0.85					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	250.00 LBS	0.85					\$29.18
TOTAL								\$277.68
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$7.55	15 LBS	\$113.25					\$113.25
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01					\$20.01
CROP INSURANCE	\$0.09		\$0.09					\$0.09
SUBTOTAL			\$133.35					\$133.35
<b>PREHARVEST OPERATIONS</b>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	165 HP	0.15 HR		\$1.28	\$4.71	\$1.06	\$2.22	\$9.27
DISC	165 HP	0.11 HR		\$0.94	\$3.45	\$1.62	\$2.20	\$8.21
LISTER	165 HP	0.09 HR		\$0.77	\$2.82	\$0.84	\$1.62	\$6.05
ROD WEED	165 HP	0.05 HR		\$0.43	\$1.57	\$0.34	\$0.75	\$3.09
PLANTER	165 HP	0.12 HR		\$1.03	\$3.77	\$0.96	\$4.01	\$9.76
CULTIVATOR (2X)	93 HP	0.20 HR		\$1.71	\$3.04	\$1.18	\$0.92	\$6.85
HAND HOE (CUSTOM)			\$6.00					\$6.00
SUBTOTAL		0.72 HR	\$6.00	\$6.16	\$19.36	\$6.00	\$11.71	\$49.23
<b>HARVEST OPERATIONS</b>								
COTTON STRIPPER (MTD)	93 HP	0.58 HR		\$4.96	\$8.83	\$1.08	\$3.36	\$18.23
HAUL	2 TON	0.50 HR		\$4.28	\$11.12	\$3.22	\$6.36	\$24.97
GIN COTTON (CUSTOM)			\$38.40					\$38.40
SUBTOTAL		1.08 HR	\$38.40	\$9.23	\$19.95	\$4.30	\$9.72	\$81.60
<b>POST HARVEST OPERATIONS</b>								
SHREDDER	93 HP	0.25 HR		\$2.14	\$3.81	\$0.34	\$0.82	\$7.10
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.47 HR		\$4.04				\$4.04
EMPLOYEE BENEFITS				\$3.15				\$3.15
INSURANCE			\$0.35					\$0.35
LAND TAXES							\$0.55	\$0.55
SUPERVISION AND MANAGEMENT				\$20.38				\$20.38
OTHER EXPENSES			\$29.12					\$29.12
SUBTOTAL		0.47 HR	\$29.47	\$27.58			\$0.55	\$57.59
TOTAL OPERATING EXPENSES		2.52 HR	\$207.21	\$45.10	\$43.12	\$10.64	\$22.80	\$328.87
NET OPERATING PROFIT								(\$51.20)
INTEREST ON OPERATING CAPITAL		( \$76.07 @	5.50%	)				\$4.18
INTEREST ON EQUIPMENT INVESTMENT								\$6.43
RETURN TO LAND AND RISK								(\$61.82)

BUDGET SUMMARY

GROSS RETURN	\$277.68	
VARIABLE OPERATING EXPENSES	\$260.97	
RETURN OVER VARIABLE EXPENSES	\$16.71	(GROSS MARGIN)
FIXED EXPENSES	\$22.80	
NET FARM INCOME	(\$6.09)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$45.10	
NET OPERATING PROFIT	(\$51.20)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$10.62	
RETURN TO LAND AND RISK	(\$61.82)	

TABLE 7. Wheat, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Causey-Lingo area, Roosevelt County, Projected 2015  
 Planting dates: August 15 - September 15  
 Harvesting dates: June 1 - June 25

ITEM	PRICE	YIELD	BASE					TOTAL	
<b>GROSS RETURNS</b>									
WHEAT	\$7.00	18.00 BUSHELS						\$126.00	
DIRECT PAYMENT	\$0.00	18.00 BUSHEL	0.85					\$0.00	
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00	
GRAZING	\$10.00	1.00 ACRE						\$10.00	
<b>TOTAL</b>								<b>\$136.00</b>	
<b>PURCHASED INPUTS</b>									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
SEED	\$0.45	30 LB	\$13.50						\$13.50
CROP INSURANCE	\$0.14		\$0.14						\$0.14
			<u>\$13.64</u>						<u>\$13.64</u>
<b>PREHARVEST OPERATIONS</b>									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
STUBBLE MULCH	165 HP	0.10 HR		\$0.86	\$3.14	\$1.34	\$2.52	\$7.86	
DISC	165 HP	0.11 HR		\$0.94	\$3.45	\$1.62	\$2.20	\$8.21	
RODWEED	165 HP	0.05 HR		\$0.43	\$1.57	\$0.34	\$0.75	\$3.09	
DRILL	93 HP	0.05 HR		\$0.43	\$0.76	\$0.23	\$4.51	\$5.93	
<b>SUBTOTAL</b>		<b>0.31 HR</b>		<b>\$2.65</b>	<b>\$8.92</b>	<b>\$3.53</b>	<b>\$9.98</b>	<b>\$25.09</b>	
<b>HARVEST OPERATIONS</b>									
COMBINE		0.14 HR		\$1.20	\$4.09	\$0.39	\$13.72	\$19.40	
HAUL	2 TON	0.14 HR		\$1.20	\$3.11	\$0.90	\$1.78	\$6.99	
<b>SUBTOTAL</b>		<b>0.28 HR</b>		<b>\$2.39</b>	<b>\$7.21</b>	<b>\$1.29</b>	<b>\$15.50</b>	<b>\$26.39</b>	
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0.10 HR		\$0.86				\$0.86	
EMPLOYEE BENEFITS				\$0.91				\$0.91	
INSURANCE			\$0.10					\$0.10	
LAND TAXES							\$0.55	\$0.55	
SUPERVISION AND MANAGEMENT				\$9.68				\$9.68	
OTHER EXPENSES			\$29.12					\$29.12	
<b>SUBTOTAL</b>		<b>0.10 HR</b>		<b>\$29.22</b>	<b>\$11.44</b>		<b>\$0.55</b>	<b>\$41.20</b>	
<b>TOTAL OPERATING EXPENSES</b>		<b>0.41 HR</b>		<b>\$42.72</b>	<b>\$16.48</b>	<b>\$16.13</b>	<b>\$4.83</b>	<b>\$106.18</b>	
<b>NET OPERATING PROFIT</b>								<b>\$29.82</b>	
INTEREST ON OPERATING CAPITAL		( \$10.57 @ 5.50% )						\$0.58	
INTEREST ON EQUIPMENT INVESTMENT								\$9.24	
<b>RETURN TO LAND AND RISK</b>								<b>\$20.00</b>	

<b>BUDGET SUMMARY</b>			
GROSS RETURN		\$136.00	
VARIABLE OPERATING EXPENSES	\$63.67		
RETURN OVER VARIABLE EXPENSES		\$72.33	(GROSS MARGIN)
FIXED EXPENSES	\$26.03		
NET FARM INCOME		\$46.30	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$16.48		
NET OPERATING PROFIT		\$29.82	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$9.82		
RETURN TO LAND AND RISK		\$20.00	

TABLE 8. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Roosevelt County  
Projected 2015

	GRAIN SORGHUM	STRIPPER COTTON	WHEAT
	CWT	LBS	BU
PRIMARY YIELD	15.00	250.00	18.00
PRIMARY PRICE	\$7.06	\$0.85	\$7.00
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$5.00	\$36.00	\$10.00
GROSS RETURN	\$110.96	\$277.68	\$136.00
CASH OPERATING EXPENSES			
SEED	\$3.93	\$113.25	\$13.50
FERTILIZER			
CHEMICALS	\$15.88	\$20.01	
CROP INSURANCE	\$0.14	\$0.09	\$0.14
OTHER PURCHASED INPUTS			
CANAL WATER			
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$22.45	\$43.12	\$16.13
FUEL-IRRIGATION			
REPAIRS	\$6.56	\$10.64	\$4.83
CUSTOM CHARGES	\$0.00	\$44.40	\$0.00
LAND TAXES	\$0.55	\$0.55	\$0.55
OTHER EXPENSES	\$29.27	\$29.47	\$29.22
TOTAL CASH EXPENSES	\$78.78	\$261.52	\$64.36
RETURN OVER CASH EXPENSES	\$32.18	\$16.16	\$71.64
FIXED EXPENSES	\$26.28	\$22.25	\$25.48
TOTAL EXPENSES	\$105.06	\$283.77	\$89.84
NET FARM INCOME	\$5.90	(\$6.09)	\$46.16
LABOR AND MANAGEMENT COSTS	\$18.33	\$45.10	\$16.48
NET OPERATING PROFIT	(\$12.42)	(\$51.20)	\$29.68
CAPITAL COSTS			
INTEREST ON OPERATING CAPITAL	\$0.87	\$4.18	\$0.58
INTEREST ON EQUIPMENT INVESTMENT	\$9.40	\$6.43	\$9.24
TOTAL CAPITAL COSTS	\$10.27	\$10.62	\$9.82
RETURN TO LAND AND RISK	(\$22.69)	(\$61.82)	\$19.86

TABLE 9. Whole farm summary, Causey-Lingo area, Roosevelt County,  
Projected 2015

GROSS RETURNS		
GRAIN SORGHUM	357.00 ACRES	
CROP		\$37,829
GRAZING		\$1,785
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
COTTON	546.00 ACRES	
LINT		\$116,025
SEED		\$19,656
DIRECT PAYMENT		\$0
WHEAT	357.00 ACRES	
CROP		\$44,982
GRAZING		\$3,570
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$223,847</u>
CASH OPERATING EXPENSES		
SEED		\$68,057
FERTILIZER		\$0
CHEMICALS		\$16,594
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$37,314
FUEL-IRRIGATION		\$0
REPAIRS		\$9,874
CUSTOM CHARGES		\$24,242
LAND TAXES		\$689
OTHER EXPENSES		\$36,968
TOTAL CASH EXPENSES		<u>\$193,889</u>
RETURN OVER CASH EXPENSES		\$29,959
FIXED EXPENSES		\$30,630
TOTAL EXPENSES		\$224,518
NET FARM INCOME		(\$671)
LABOR AND MANAGEMENT COSTS		\$37,055
NET OPERATING PROFIT		(\$37,726)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,802
INTEREST ON EQUIPMENT INVESTMENT		\$10,165
TOTAL CAPITAL COSTS		<u>\$12,968</u>
RETURN TO LAND AND RISK		<u>(\$50,694)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$56,454)	-10.04%
\$200 /ACRE	(\$58,374)	-8.58%
\$250 /ACRE	(\$60,294)	-7.49%
\$300 /ACRE	(\$62,214)	-6.65%
\$350 /ACRE	(\$64,134)	-5.97%
\$400 /ACRE	(\$66,054)	-5.42%

\* 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)