

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA..... BLACKWATER DRAW AREA, ROOSEVELT COUN' Projected 2008.
FARM SIZE..... 960.00 ACRES
IRRIGATION TYPE..... SPRINKLER
NUMBER OF CROPS..... 4

VERSION 1.0

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

BUDGET AREA..... BLACKWATER DRAW AREA, ROOSEVELT COUNTY			
FARM SIZE..... 960 ACRES			
IRRIGATION TYPE..... SPRINKLER			
NUMBER OF CROPS... 4			
WATER USE			
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	25.00 *	9	225
ALFALFA	125.00	30	3,750
WHEAT	212.50	18	3,825
ARP	0.00		
FLEX IN CORN	37.50	30	1,125
CORN	106.25	30	3,188
ARP	0.00		
FLEX IN CORN	18.75	30	563
PEANUTS	250.00	22	5,500
CORNERS, HOMESTEAD	210.00		
TOTAL	960.00		18,175
ACRE FEET PER ACRE OF WATER RIGHTS			1.58

* DOUBLE-CROPPED

TABLE 2. Basic cost information for the Blackwater Draw area, Roosevelt County,
Projected 2008.

Item			
Labor Wage Rate:			
Equipment operators	\$/hour		\$7.45
General & Irrigators	\$/hour		\$6.65
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)	\$/pound		\$0.63
Phosphate (P205)	\$/pound		\$0.55
Seed:			
Wheat	\$/pound		\$0.28
Corn	\$/bag		\$115.50
Alfalfa	\$/pound		\$3.45
Peanuts	\$/pound		\$0.80
Energy:			
Natural gas (Gas NM)	\$/MCF		\$3.24
Diesel fuel	\$/gallon		\$3.05
Gasoline	\$/gallon		\$2.80
Electricity (SWPS)	cents/KwHr		8.69
LP Gas	\$/gallon		\$2.65
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		7.75%
Land Interest Rate	percent		7.75%
Equipment Interest Rate	percent		7.75%
Real Interest Rate	percent		3.00%
Land Taxes	\$89.00 /acre (full value)		\$0.73
Personal Property Tax Rate	- NR	\$/(\$1,000 (Assessed Value)	\$24.56
	- R		\$22.03
Supervision Factors			
Field Crop-Irrigation	\$/labor hour		\$1.00
Field Crop-Equipment & General	\$/labor hour		\$0.50
Management Rate	percent		7.00%

TABLE 3. Overhead cost information for Blackwater Draw area, Roosevelt County,
Projected 2008.

Item			
Electricity (Domestic & Shop)		\$369.60 per month	\$4,435
Telephone		\$156.80 per month	\$1,882
Accounting & Legal			\$2,470
Misc. Supplies & Hand Tools			\$3,382
Pickup and Auto			
miles	28,840	@ \$0.415 per mile	\$11,969
Insurance			
- general liability (non-employee)			\$2,206
- fire/theft			\$1,770
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$1,250
Dues, fees, publications			\$403
Farmstead Equipment			\$263
Total			\$36,040
Total Per Planted Acre			\$48.05

TABLE 7. Equipment Operating and Mileage for Tractor, Wheel Loader, Backhoe, Dozer, and Bulldozer

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$1,500	\$15,000
WHEEL LOADER	5	\$1,000	\$5,000
BACKHOE	2	\$1,200	\$2,400
DOZER	1	\$1,800	\$1,800
BULLDOZER	1	\$1,500	\$1,500
TOTAL	19		\$25,700

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
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TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

TABLE 8. Equipment Operating for a 600-acre, winter irrigated farm with above average management. Worksheet Data and Summary Data

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$2,000	\$20,000
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BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
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TOTAL	19		\$35,200

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TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

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TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
TRACTOR	10	\$2,000	\$20,000
WHEEL LOADER	5	\$1,500	\$7,500
BACKHOE	2	\$1,800	\$3,600
DOZER	1	\$2,200	\$2,200
BULLDOZER	1	\$1,900	\$1,900
TOTAL	19		\$35,200

Based on unpublished data of D. A. Hays, Department of Agricultural Engineering, University of Illinois.
 Based on "Equipment Costs" by E. J. Peterson
 Equipment Handbook, Dept. of Agriculture

1. tractor
 2. wheel loader
 3. backhoe loader
 4. dozer
 5. bulldozer
 6. motor grader
 7. skid steer loader
 8. trencher
 9. backhoe loader
 10. dozer
 11. bulldozer
 12. motor grader
 13. skid steer loader
 14. trencher
 15. backhoe loader
 16. dozer
 17. bulldozer
 18. motor grader
 19. skid steer loader
 20. trencher

TABLE 6. Alfalfa establishment, sprinkler-irrigated, budgeted per acre costs and returns for a 960 acre farm with above average management, Roosevelt County, Projected 2008.

Planting Dates: August 15 - August 30

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
SEED	\$3.45	20 LBS	\$69.00					\$69.00
NITROGEN (N)	\$0.63	40 LBS	\$25.20					\$25.20
PHOSPHATE (P2O5)	\$0.55	60 LBS	\$33.00					\$33.00
PUMP WATER*		9 AC. IN.						
SUBTOTAL			\$127.20					\$127.20
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.09 HR		\$0.67	\$2.84	\$1.19	\$1.40	\$6.10
PLOW	185 HP	0.29 HR		\$2.16	\$9.16	\$3.51	\$4.23	\$19.07
FLOAT	140 HP	0.19 HR		\$1.42	\$4.53	\$0.83	\$4.27	\$11.04
FERT SPREADER	140 HP	0.05 HR		\$0.37	\$1.19	\$0.22	\$0.53	\$2.31
DISC	185 HP	0.09 HR		\$0.67	\$2.84	\$1.19	\$1.40	\$6.10
PRE-IRRIGATE		0.10 HR		\$0.67	\$11.81	\$3.19	\$1.13	\$16.79
DRILL	140 HP	0.10 HR		\$0.75	\$2.38	\$0.61	\$4.21	\$7.95
IRRIGATE (2X)		0.20 HR		\$1.33	\$23.61	\$6.39	\$2.25	\$33.58
SUBTOTAL		1.11 HR		\$8.03	\$58.37	\$17.13	\$19.41	\$102.94
OVERHEAD EXPENSES								
DOWNTIME		0.19 HR		\$1.42				\$1.42
EMPLOYEE BENEFITS				\$1.45				\$1.45
INSURANCE			\$0.16					\$0.16
SUPERVISION AND MANAGEMENT				\$9.61				\$9.61
SUBTOTAL		0.19 HR	\$0.16	\$12.47				\$12.63
TOTAL OPERATING EXPENSES		1.30 HR	\$127.36	\$20.50	\$58.37	\$17.13	\$19.41	\$242.77

TABLE 7. Alfalfa hay, sprinkler-irrigated, budgeted per acre costs and returns for a 960 acre farm with above average management, Blackwater Draw area, Roosevelt County Projected 2008.
Harvest Dates: May 20 - October 15

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS									
HAY	\$140.00	6.00 TONS (STACKED)						\$840.00	
GRAZING	\$50.00	1.00 ACRE						\$50.00	
TOTAL							\$890.00		
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
PHOSPHATE (P2O5)	\$0.55	150 LBS	\$82.50					\$82.50	
PLASTIC TWINE	\$19.15	1,020 FT	\$4.88					\$4.88	
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01					\$20.01	
HERBICIDE (CUSTOM)	\$16.96	1 X/ACRE	\$16.96					\$16.96	
ESTABLISHMENT: Principal		5 YEARS					\$48.55	\$48.55	
ESTABLISHMENT: Interest							\$10.90	\$10.90	
PUMP WATER*		30 AC. IN.							
SUBTOTAL			\$124.35				\$59.46	\$183.81	
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
IRRIGATE		1.00 HR		\$6.65	\$118.07	\$31.95	\$11.26	\$167.92	
FERT SPREADER	140 HP	0.05 HR		\$0.37	\$1.19	\$0.22	\$0.53	\$2.31	
SUBTOTAL		1.05 HR		\$7.02	\$119.26	\$32.16	\$11.79	\$170.23	
HARVEST OPERATIONS									
SWATHER (5X)	S.P.	0.80 HR		\$5.96	\$9.14	\$0.46	\$12.55	\$28.11	
RAKE (5X)	140 HP	0.40 HR		\$2.98	\$9.53	\$2.12	\$7.16	\$21.80	
BALER (5X)	185 HP	0.35 HR		\$2.61	\$11.06	\$2.64	\$52.47	\$68.77	
FRONT END LOADER (5X)	140 HP	1.25 HR		\$9.31	\$29.79	\$9.39	\$15.39	\$63.88	
SUBTOTAL		2.80 HR	\$0.00	\$20.86	\$59.52	\$14.61	\$87.56	\$182.56	
OVERHEAD EXPENSES									
DOWNTIME		0.70 HR		\$5.22				\$5.22	
EMPLOYEE BENEFITS				\$5.02				\$5.02	
INSURANCE			\$0.14					\$0.14	
LAND TAXES							\$0.73	\$0.73	
SUPERVISION AND MANAGEMENT				\$64.73				\$64.73	
OTHER EXPENSES			\$48.05					\$48.05	
SUBTOTAL		0.70 HR	\$48.19	\$74.96				\$0.73	\$123.88
TOTAL OPERATING EXPENSES		4.55 HR	\$172.54	\$102.84	\$178.78	\$46.77	\$159.53	\$660.48	
NET OPERATING PROFIT								\$229.52	
INTEREST ON OPERATING CAPITAL		(\$106.21 @	7.75%)				\$8.23	
INTEREST ON EQUIPMENT INVESTMENT								\$55.01	
RETURN TO LAND AND RISK								\$166.28	

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

BUDGET SUMMARY

GROSS RETURN		\$890.00	
VARIABLE OPERATING EXPENSES	\$398.10		
RETURN OVER VARIABLE EXPENSES	\$491.90	(GROSS MARGIN)	
FIXED EXPENSES	\$159.53		
NET FARM INCOME	\$332.37	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$102.84		
NET OPERATING PROFIT	\$229.52	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$63.25		
RETURN TO LAND AND RISK	\$166.28		

TABLE 8. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 960 acre farm with above average management, Blackwater Draw area, Roosevelt Count; Projected 2008.
Planting Dates: August 20 - September 1st
Harvest Dates: June 1 - June 25

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$9.50	60.00 BUSHEL		\$570.00
DIRECT PAYMENT	\$0.00	60.00 BUSHEL	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$0.00	1.00 ACRE		\$0.00
TOTAL				\$570.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.28	120 LBS	\$33.60		\$33.60
NITROGEN (N)	\$0.63	120 LBS	\$75.60		\$75.60
PHOSPHATE (P2O5)	\$0.55	40 LBS	\$22.00		\$22.00
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01		\$20.01
PUMP WATER*		18 AC. IN.			
CROP INSURANCE	\$0.24		\$0.24		\$0.24
SUBTOTAL			\$151.44		\$151.44

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
BROADCAST (CUSTOM) IRRIGATE (17X)		0.85 HR	\$4.00	\$5.65	\$70.84	\$19.17	\$6.75	\$102.42
SUBTOTAL		0.85 HR	\$4.00	\$5.65	\$70.84	\$19.17	\$6.75	\$106.42

HARVEST OPERATIONS

COMBINE (CUSTOM)			\$5.97					\$5.97
HAUL (CUSTOM)			\$9.60					\$9.60
SUBTOTAL			\$15.57					\$15.57

OVERHEAD EXPENSES

DOWNTIME		0.00 HR		\$0.00				\$0.00
EMPLOYEE BENEFITS				\$1.02				\$1.02
INSURANCE			\$0.11					\$0.11
LAND TAXES							\$0.73	\$0.73
SUPERVISION AND MANAGEMENT				\$40.75				\$40.75
OTHER EXPENSES			\$48.05					\$48.05
SUBTOTAL		0.00 HR	\$48.17	\$41.77			\$0.73	\$90.66

TOTAL OPERATING EXPENSES 0.85 HR \$219.18 \$47.42 \$70.84 \$19.17 \$7.48 \$364.09

NET OPERATING PROFIT \$205.91

INTEREST ON OPERATING CAPITAL (\$99.52 @ 7.75%) \$7.71
INTEREST ON EQUIPMENT INVESTMENT \$4.02

RETURN TO LAND AND RISK \$194.17

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

BUDGET SUMMARY

GROSS RETURN		\$570.00	
VARIABLE OPERATING EXPENSES	\$309.19		
RETURN OVER VARIABLE EXPENSES		\$260.81	(GROSS MARGIN)
FIXED EXPENSES	\$7.48		
NET FARM INCOME		\$253.33	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$47.42		
NET OPERATING PROFIT		\$205.91	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$11.74		
RETURN TO LAND AND RISK		\$194.17	

TABLE 9. Corn for grain, sprinkler-irrigated, budgeted per acre costs and returns for a 960 acre farm with above average management, Blackwater Draw area, Roosevelt County Projected 2008.

Planting Dates: April 25 - May 30
Harvest Dates: November 1 - November 30

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
CORN FOR GRAIN	\$7.32	100.00 CWT		\$732.14
DIRECT PAYMENT	\$0.00	100.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$15.00	1.00 ACRE		\$15.00
TOTAL				\$747.14

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.44	24 000	\$34.65		\$34.65
NITROGEN (N)	\$0.63	250 LBS	\$157.50		\$157.50
PHOSPHATE (P205)	\$0.55	80 LBS	\$44.00		\$44.00
POTASH (K2O)	\$0.13	40 LBS	\$5.00		\$5.00
TRACE ELEMENTS	\$15.36	1 X/ACRE	\$15.36		\$15.36
HERBICIDE	\$21.24	1 X/ACRE	\$21.24		\$21.24
INSECTICIDE (CUSTOM)	\$24.65	1 X/ACRE	\$24.65		\$24.65
PUMP WATER*		30 AC. IN.			
CROP INSURANCE	\$0.31		\$0.31		\$0.31
SUBTOTAL			\$302.71		\$302.71

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	185 HP	0.18 HR		\$1.34	\$5.69	\$2.38	\$2.79	\$12.20
PLOW	185 HP	0.29 HR		\$2.16	\$9.16	\$3.51	\$4.23	\$19.07
CHISEL (2X)	185 HP	0.20 HR		\$1.49	\$6.32	\$2.42	\$2.92	\$13.15
FERT SPREADER	140 HP	0.05 HR		\$0.37	\$1.19	\$0.22	\$0.53	\$2.31
PRE-IRRIGATE (3X)		0.30 HR		\$2.00	\$23.61	\$6.39	\$2.25	\$34.25
LISTER (3X)	185 HP	0.27 HR		\$2.01	\$8.53	\$2.63	\$3.50	\$16.68
ROD WEED	185 HP	0.08 HR		\$0.60	\$2.53	\$0.52	\$1.26	\$4.91
PLANTER	185 HP	0.12 HR		\$0.89	\$3.79	\$1.01	\$3.84	\$9.54
SAND FURROW (5X)	140 HP	0.50 HR		\$3.73	\$11.92	\$4.66	\$7.43	\$27.73
IRRIGATE (12X)		1.20 HR		\$7.98	\$94.46	\$25.56	\$9.01	\$137.00
SUBTOTAL		3.19 HR		\$22.57	\$167.20	\$49.30	\$37.76	\$276.83

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$35.00				\$35.00
HAUL (CUSTOM)				\$18.00				\$18.00
SUBTOTAL				\$53.00				\$53.00

OVERHEAD EXPENSES								
DOWNTIME		0.41 HR		\$3.05				\$3.05
EMPLO' YEE BENEF	ITS			\$4.06				\$4.06
INSURANCE				\$0.45				\$0.45
LAND TAXES							\$0.73	\$0.73
SUPERVISION AND MANAGEMENT				\$54.65				\$54.65
OTHER EXPENSES				\$48.05				\$48.05
SUBTOTAL		0.41 HR		\$48.50	\$61.76		\$0.73	\$110.99

TOTAL OPERATING EXPENSES		3.60 HR		\$404.21	\$84.33	\$167.20	\$49.30	\$38.49	\$743.53
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NET OPERATING PROFIT									\$3.62
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INTEREST ON OPERATING CAPITAL	(\$209.89	@	7.75%)				\$16.27
INTEREST ON EQUIPMENT INVESTMENT									\$17.50

RETURN TO LAND AND RISK									(\$30.15)
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$747.14		
VARIABLE OPERATING EXPENSES	\$620.71			
RETURN OVER VARIABLE EXPENSES		\$126.44	(GROSS MARGIN)	
FIXED EXPENSES	\$38.49			
NET FARM INCOME		\$87.94	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$84.33			
NET OPERATING PROFIT		\$3.62	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$33.77			
RETURN TO LAND AND RISK		(\$30.15)		

TABLE 10. Peanuts, sprinkler-irrigated, budgeted per acre costs and returns for a 960 acre farm with above average management, Blackwater Draw area, Roosevelt County
 Projected 2008.
 Planting Dates: May 10 - June 10
 Harvest Dates: October 10 - November 10

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
PEANUTS	\$0.1650	2,700.00 LBS	\$445.50
TOTAL			\$445.50

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED (PEANUT)	\$0.80	100 LB	\$80.00		\$80.00
NITROGEN (N)	\$0.63	70 LB	\$44.10		\$44.10
PHOSPHATE (P205)	\$0.55	80 LB	\$44.00		\$44.00
POTASH (K2O)	\$0.14	30 LB	\$4.05		\$4.05
TRACE ELEMENTS & MANURE	\$11.14	1 X/ACRE	\$41.14		\$41.14
HERBICIDE	\$21.18	1 X/ACRE	\$21.18		\$21.18
INSECTICIDE (CUSTOM)	\$16.96	1 X/ACRE	\$16.96		\$16.96
FUNGICIDE	\$25.00	1 X/ACRE	\$25.00		\$25.00
PUMP WATER		28 AC. IN.			
SUBTOTAL			\$276.43		\$276.43

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	185 HP	0.18 HR		\$1.34	\$5.69	\$2.38	\$2.79	\$12.20
PLOW	185 HP	0.29 HR		\$2.16	\$9.16	\$3.51	\$4.23	\$19.07
CHISEL (2X)	185 HP	0.20 HR		\$1.49	\$6.32	\$2.42	\$2.92	\$13.15
FERT SPREADER	140 HP	0.05 HR		\$0.37	\$1.19	\$0.22	\$0.53	\$2.31
SPRAY & DISC	185 HP	0.00 HR		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PRE-IRRIGATE		0.30 HR		\$2.00	\$33.06	\$7.03	\$2.48	\$44.56
LISTER	185 HP	0.27 HR		\$2.01	\$8.53	\$2.63	\$3.50	\$16.68
PLANTER	185 HP	0.12 HR		\$0.89	\$3.79	\$1.01	\$3.84	\$9.54
APPLY FUNGICIDE (CUSTOM)			\$27.00					\$27.00
CULTIVATOR (2X)	140 HP	0.20 HR		\$1.49	\$4.77	\$1.86	\$2.97	\$11.09
HAND HOE (CUSTOM)			\$10.00					\$10.00
IRRIGATE (7X)		0.70 HR		\$4.66	\$77.14	\$16.40	\$5.78	\$103.97
SUBTOTAL		2.31 HR	\$37.00	\$16.41	\$149.65	\$37.47	\$29.05	\$269.57
HARVEST OPERATIONS								
DIG AND INVERT	185 HP	0.24 HR		\$1.79	\$7.58	\$14.00	\$2.85	\$26.22
COMBINE PEANUTS	185 HP	0.80 HR		\$5.96	\$25.28	\$5.56	\$23.54	\$60.34
HAUL	140 HP	0.37 HR		\$2.76	\$8.82	\$1.66	\$5.88	\$19.12
SUBTOTAL		1.41 HR	\$0.00	\$10.50	\$41.68	\$21.22	\$32.27	\$105.68
OVERHEAD EXPENSES								
DOWNTIME		0.68 HR		\$5.07				\$5.07
EMPLOYEE BENEFITS				\$4.84				\$4.84
INSURANCE			\$0.54					\$0.54
LAND TAXES						\$0.73		\$0.73
SUPERVISION AND MANAGEMENT				\$33.55				\$33.55
OTHER EXPENSES			\$48.05					\$48.05
SUBTOTAL		0.68 HR	\$48.59	\$43.46		\$0.73		\$92.78
TOTAL OPERATING EXPENSES		4.40 HR	\$362.02	\$70.37	\$191.32	\$58.69	\$62.05	\$744.45
NET OPERATING PROFIT								(\$298.95)
INTEREST ON OPERATING CAPITAL		(\$190.23 @	7.75%)				\$14.74
INTEREST ON EQUIPMENT INVESTMENT								\$32.83
RETURN TO LAND AND RISK								(\$346.52)

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

BUDGET SUMMARY

GROSS RETURN		\$445.50	
VARIABLE OPERATING EXPENSES	\$612.03		
RETURN OVER VARIABLE EXPENSES		(\$166.53)	(GROSS MARGIN)
FIXED EXPENSES	\$62.05		
NET FARM INCOME		(\$228.58)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$70.37		
NET OPERATING PROFIT		(\$298.95)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$47.57		
RETURN TO LAND AND RISK		(\$346.52)	

TABLE 11. Summary of per acre costs and returns for a 960 acre farm with above average management, Blackwater Draw area, Roosevelt County Projected 2008.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT	CORN	PEANUTS
		TONS	BU	CWT	LBS
PRIMARY YIELD		6.00	60.00	100.00	2,700.00
PRIMARY PRICE		\$140.00	\$9.50	\$7.32	\$0.17
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME		\$50.00	\$0.00	\$15.00	\$0.00
GROSS RETURN		\$890.00	\$570.00	\$747.14	\$445.50
CASH OPERATING EXPENSES					
SEED	\$69.00		\$33.60	\$34.65	\$80.00
FERTILIZER	\$58.20	\$82.50	\$97.60	\$221.86	\$92.15
CHEMICALS		\$36.97	\$20.01	\$45.89	\$63.14
CROP INSURANCE			\$0.24	\$0.31	
OTHER PURCHASED INPUTS					\$41.14
CANAL WATER					
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$22.95	\$60.71	\$0.00	\$49.13	\$81.12
FUEL-IRRIGATION	\$35.42	\$118.07	\$70.84	\$118.07	\$110.20
REPAIRS	\$17.13	\$46.77	\$19.17	\$49.30	\$58.69
CUSTOM CHARGES			\$19.57	\$53.00	\$37.00
LAND TAXES	\$0.00	\$0.73	\$0.73	\$0.73	\$0.73
OTHER EXPENSES	\$0.16	\$48.19	\$48.17	\$48.50	\$48.59
TOTAL CASH EXPENSES	\$202.87	\$393.94	\$309.92	\$621.44	\$612.76
RETURN OVER CASH EXPENSES	(\$202.87)	\$496.06	\$260.08	\$125.71	(\$167.26)
FIXED EXPENSES	\$19.41	\$158.81	\$6.75	\$37.76	\$61.32
TOTAL EXPENSES	\$222.27	\$552.75	\$316.67	\$659.20	\$674.08
NET FARM INCOME	(\$222.27)	\$337.25	\$253.33	\$87.94	(\$228.58)
LABOR AND MANAGEMENT COSTS	\$20.50	\$102.84	\$47.42	\$84.33	\$70.37
NET OPERATING PROFIT	(\$242.77)	\$234.41	\$205.91	\$3.62	(\$298.95)
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL	\$0.00	\$8.23	\$7.71	\$16.27	\$14.74
INTEREST ON EQUIPMENT INVESTMENT	\$0.00	\$55.01	\$4.02	\$17.50	\$32.83
TOTAL CAPITAL COSTS	\$0.00	\$63.25	\$11.74	\$33.77	\$47.57
RETURN TO RISK	(\$242.77)	\$171.16	\$194.17	(\$30.15)	(\$346.52)

Flex Computation

204.95

25.11

TABLE 12. Whole farm summary, Blackwater Draw area, Roosevelt County,
Projected 2008.

GROSS RETURNS		
ALFALFA HAY	125.00 ACRES	
CROP		\$105,000
GRAZING		\$6,250
WHEAT	212.50 ACRES	
CROP		\$121,125
GRAZING		\$0
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	162.50 ACRES	
CROP		\$118,973
GRAZING		\$2,438
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
PEANUTS	250.00 ACRES	
CROP		\$111,375
GROSS RETURN		<u>\$465,161</u>
CASH OPERATING EXPENSES		
SEED		\$34,496
FERTILIZER		\$91,597
CHEMICALS		\$32,115
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$10,284
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$36,427
FUEL-IRRIGATION		\$77,434
REPAIRS		\$33,032
CUSTOM CHARGES		\$22,021
LAND TAXES		\$546
OTHER EXPENSES		\$36,293
TOTAL CASH EXPENSES		<u>\$374,345</u>
RETURN OVER CASH EXPENSES		\$90,816
FIXED EXPENSES		\$37,169
TOTAL EXPENSES		\$411,514
NET FARM INCOME		\$53,647
LABOR AND MANAGEMENT COSTS		\$54,740
NET OPERATING PROFIT		(\$1,093)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$8,997
INTEREST ON EQUIPMENT INVESTMENT		\$18,782
TOTAL CAPITAL COSTS		<u>\$27,779</u>
RETURN TO RISK		<u>(\$28,872)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$43,272)	-0.15%
\$750 /ACRE	(\$50,472)	-0.11%
\$1,000 /ACRE	(\$57,672)	-0.09%
\$1,250 /ACRE	(\$64,872)	-0.08%
\$1,500 /ACRE	(\$72,072)	-0.06%
\$1,750 /ACRE	(\$79,272)	-0.06%
\$2,000 /ACRE	(\$86,472)	-0.05%

* 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)