

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

BUDGET AREA.....	PORTALES VALLEY, ROOSEVELT COUNTY
FARM SIZE.....	320 ACRES
IRRIGATION TYPE.....	FLOOD
NUMBER OF CROPS....	5

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE	
		AC.IN. PER AC.	TOTAL AC.IN.
WHEAT	68.00	25	1,700
ARP	0.00		
FLEX IN COTTON	12.00	15	180
CORN	51.00	38	1,938
ARP	0.00		
FLEX IN COTTON	9.00	15	135
GRAIN SORGHUM	51.00	20	1,020
ARP	0.00		
FLEX IN COTTON	9.00	15	135
COTTON	34.00	15	510
ARP	0.00		
FLEX IN COTTON	6.00	15	90
PEANUTS	60.00	24	1,440
ROADS, HOMESTEAD	20.00		
<b>TOTAL</b>	<b>320.00</b>		<b>7,148</b>
ACRE FEET PER ACRE OF WATER RIGHTS			1.86

TABLE 2. Basic cost information for the Portales Valley, Roosevelt County, Projected 2012.

Item			
<b>Labor Wage Rate:</b>			
Equipment operators	\$/hour		\$8.55
General & Irrigators	\$/hour		\$7.50
<b>Purchased Inputs:</b>			
<b>Fertilizer:</b>			
Nitrogen (N)	\$/pound		\$0.89
Phosphate (P205)	\$/pound		\$0.75
<b>Seed:</b>			
Wheat	\$/pound		\$0.50
Corn	\$/bag		\$237.50
Grain Sorghum	\$/pound		\$1.97
Cotton	\$/pound		\$8.00
Peanuts	\$/pound		\$0.95
<b>Energy:</b>			
Natural gas (Gas NM)	\$/MCF		\$3.99
Diesel fuel	\$/gallon		\$3.00
Gasoline	\$/gallon		\$3.80
Electricity (SWPS)	cents/KwHr		11.68
LP Gas	\$/gallon		\$2.95
Employee Liability Insurance	\$/ \$1,000 wages		\$20.00
Employee Benefits	percent/wages		18.00%
Labor Downtime	percent		25.00%
<b>Financial Rates:</b>			
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	\$89.00 /acre (full value)		\$0.71
Personal Property Tax Rate	- NR	\$/ \$1,000 (Assessed Value)	\$24.08
	- R		\$18.71
<b>Supervision Factors</b>			
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 the Portales Valley, Roosevelt County, Projected 2012.

Item			
Electricity (Domestic & Shop)		\$242.00 per month	\$2,904
Telephone		\$121.00 per month	\$1,452
Accounting & Legal			\$1,773
Misc. Supplies & Hand Tools			\$2,668
Pickup and Auto			
miles	24,926	@ \$0.500 per mile	\$12,463
Insurance			
- general liability (non-employee)			\$1,912
- fire/theft			\$1,513
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$1,452
Dues, fees, publications			\$436
Farmstead Equipment			\$182
Total			\$32,763
Total Per Planted Acre			\$109.21



TABLE 6. Wheat, flood-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, Projected 2012.  
 Planting Dates: August 20 - September 15  
 Harvest Dates: June 1 - June 25

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
WHEAT	\$6.50	50.00 BUSHEL		\$325.00
DIRECT PAYMENT	\$0.00	50.00 BUSHEL	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$40.00	1.00 ACRE		\$40.00
<b>TOTAL</b>				<b>\$365.00</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.50	60 LBS	\$30.00		\$30.00
NITROGEN (N)	\$0.89	100 LBS	\$89.00		\$89.00
PHOSPHATE (P205)	\$0.75	40 LBS	\$30.00		\$30.00
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01		\$20.01
PUMP WATER*		25 AC. IN.			
CROP INSURANCE	\$0.74		\$0.74		\$0.74
<b>SUBTOTAL</b>			<b>\$169.74</b>		<b>\$169.74</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
ROD WEEDER	126 HP	0.08 HR		\$0.68	\$2.51	\$0.38	\$0.97	\$4.54
PLOW	185 HP	0.48 HR		\$4.10	\$12.91	\$4.97	\$9.36	\$31.35
DISC	185 HP	0.14 HR		\$1.20	\$3.77	\$1.27	\$2.70	\$8.94
FERT SPREADER	126 HP	0.05 HR		\$0.43	\$1.57	\$0.20	\$0.42	\$2.61
DRILL	126 HP	0.18 HR		\$1.54	\$5.64	\$0.90	\$8.09	\$16.18
IRRIGATE (5X)		2.50 HR		\$18.75	\$58.78	\$0.00	\$2.59	\$80.12
<b>SUBTOTAL</b>		<b>3.43 HR</b>		<b>\$26.70</b>	<b>\$85.18</b>	<b>\$7.72</b>	<b>\$24.14</b>	<b>\$143.73</b>

<b>HARVEST OPERATIONS</b>								
COMBINE (CUSTOM)			\$20.20					\$20.20
HAUL (CUSTOM)			\$8.00					\$8.00
<b>SUBTOTAL</b>			<b>\$28.20</b>					<b>\$28.20</b>

<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.23 HR		\$1.99				\$1.99
EMPLOYEE BENEFITS				\$4.81				\$4.81
INSURANCE			\$0.53					\$0.53
LAND TAXES							\$0.71	\$0.71
SUPERVISION AND MANAGEMENT				\$28.52				\$28.52
OTHER EXPENSES			\$109.21					\$109.21
<b>SUBTOTAL</b>		<b>0.23 HR</b>	<b>\$109.74</b>	<b>\$35.31</b>			<b>\$0.71</b>	<b>\$145.77</b>

TOTAL OPERATING EXPENSES 3.66 HR \$307.69 \$62.01 \$85.18 \$7.72 \$24.85 \$487.44

NET OPERATING PROFIT (\$122.44)

INTEREST ON OPERATING CAPITAL ( \$110.44 @ 7.00% ) \$7.73  
 INTEREST ON EQUIPMENT INVESTMENT \$12.47

RETURN TO LAND AND RISK (\$142.64)

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

GROSS RETURN		\$365.00	
VARIABLE OPERATING EXPENSES	\$400.58		
RETURN OVER VARIABLE EXPENSES		(\$35.58)	(GROSS MARGIN)
FIXED EXPENSES	\$24.85		
NET FARM INCOME		(\$60.43)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$62.01		
NET OPERATING PROFIT		(\$122.44)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$20.20		
RETURN TO LAND AND RISK		(\$142.64)	

TABLE 7. Corn for grain, flood-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, Projected 2012.

Planting Dates: April 15 - May 15  
Harvest Dates: November 1 - November 30

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
CORN FOR GRAIN	\$9.38	65.00 CWT		\$609.38
DIRECT PAYMENT	\$0.00	65.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$15.00	1.00 ACRE		\$15.00
<b>TOTAL</b>				<b>\$624.38</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.97	28 000	\$83.13		\$83.13
NITROGEN (N)	\$0.89	150 LBS	\$133.50		\$133.50
PHOSPHATE (P205)	\$0.75	60 LBS	\$45.00		\$45.00
HERBICIDE	\$15.88	1 X/ACRE	\$15.88		\$15.88
INSECTICIDE (CUSTOM)	\$16.96	2 X/ACRE	\$33.92		\$33.92
PUMP WATER*		38 AC. IN.			
CROP INSURANCE	\$0.98		\$0.98		\$0.98
<b>SUBTOTAL</b>			<b>\$312.41</b>		<b>\$312.41</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.20	\$3.77	\$1.27	\$2.70	\$8.94
PLOW	185 HP	0.48 HR		\$4.10	\$12.91	\$4.97	\$9.36	\$31.35
DISC	185 HP	0.14 HR		\$1.20	\$3.77	\$1.27	\$2.70	\$8.94
FERT SPREADER	126 HP	0.05 HR		\$0.43	\$1.57	\$0.20	\$0.42	\$2.61
SPRAY & DISC	185 HP	0.17 HR		\$1.45	\$4.57	\$1.66	\$4.13	\$11.82
LISTER	126 HP	0.12 HR		\$1.03	\$3.76	\$0.80	\$2.05	\$7.64
TRACK	126 HP	0.40 HR		\$3.42	\$12.54	\$1.59	\$3.37	\$20.92
PRE-IRRIGATE		0.75 HR		\$6.41	\$14.89	\$0.00	\$0.66	\$21.96
ROD WEED	185 HP	0.08 HR		\$0.68	\$2.15	\$0.49	\$1.54	\$4.87
PLANTER	185 HP	0.17 HR		\$1.45	\$4.57	\$1.26	\$6.46	\$13.75
CULTIVATOR (2X)	126 HP	0.26 HR		\$2.22	\$8.15	\$2.00	\$4.02	\$16.39
IRRIGATE (5X)		2.50 HR		\$18.75	\$74.45	\$0.00	\$3.28	\$96.48
<b>SUBTOTAL</b>		<b>5.26 HR</b>		<b>\$42.35</b>	<b>\$147.11</b>	<b>\$15.52</b>	<b>\$40.70</b>	<b>\$245.67</b>

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$22.75				\$22.75
HAUL (CUSTOM)				\$11.70				\$11.70
<b>SUBTOTAL</b>				<b>\$34.45</b>				<b>\$34.45</b>

OVERHEAD EXPENSES								
DOWNTIME		0.36 HR		\$3.06				\$3.06
EMPLOYEE BENEFITS				\$7.62				\$7.62
INSURANCE				\$0.85				\$0.85
LAND TAXES							\$0.71	\$0.71
SUPERVISION AND MANAGEMENT				\$47.05				\$47.05
OTHER EXPENSES				\$109.21				\$109.21
<b>SUBTOTAL</b>		<b>0.36 HR</b>		<b>\$110.06</b>	<b>\$57.73</b>		<b>\$0.71</b>	<b>\$168.50</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>5.62 HR</b>		<b>\$456.92</b>	<b>\$100.08</b>	<b>\$147.11</b>	<b>\$15.52</b>	<b>\$41.41</b>	<b>\$761.03</b>
---------------------------------	--	----------------	--	-----------------	-----------------	-----------------	----------------	----------------	-----------------

<b>NET OPERATING PROFIT</b>									<b>(\$136.66)</b>
-----------------------------	--	--	--	--	--	--	--	--	-------------------

INTEREST ON OPERATING CAPITAL	(	\$199.73	@	7.00%	)				\$13.98
INTEREST ON EQUIPMENT INVESTMENT									\$22.83

<b>RETURN TO LAND AND RISK</b>									<b>(\$173.47)</b>
--------------------------------	--	--	--	--	--	--	--	--	-------------------

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

**BUDGET SUMMARY**

GROSS RETURN		\$624.38						
VARIABLE OPERATING EXPENSES	\$619.54							
RETURN OVER VARIABLE EXPENSES		\$4.84	(GROSS MARGIN)					
FIXED EXPENSES	\$41.41							
NET FARM INCOME		(\$36.58)	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$100.08							
NET OPERATING PROFIT		(\$136.66)	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$36.81							
RETURN TO LAND AND RISK		(\$173.47)						

TABLE 8. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, Projected 2012.

Planting Dates: May 15 - June 10  
Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
GRAIN SORGHUM	\$8.63	55.00 CWT		\$474.38
DIRECT PAYMENT	\$0.00	55.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$9.00	1.00 ACRE		\$9.00
<b>TOTAL</b>				<b>\$483.38</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.97	6 LBS	\$11.82		\$11.82
NITROGEN (N)	\$0.89	100 LBS	\$89.00		\$89.00
PHOSPHATE (P205)	\$0.75	40 LBS	\$30.00		\$30.00
HERBICIDE	\$15.88	1 ACRE	\$15.88		\$15.88
INSECTICIDE (CUSTOM)	\$20.01	1 ACRE	\$20.01		\$20.01
PUMP WATER*		20 AC. IN.			
CROP INSURANCE	\$0.98		\$0.98		\$0.98
<b>SUBTOTAL</b>			<b>\$167.69</b>		<b>\$167.69</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.20	\$3.77	\$1.27	\$2.70	\$8.94
PLOW	185 HP	0.48 HR		\$4.10	\$12.91	\$4.97	\$9.36	\$31.35
DISC	185 HP	0.14 HR		\$1.20	\$3.77	\$1.27	\$2.70	\$8.94
FERT SPREADER	126 HP	0.05 HR		\$0.43	\$1.57	\$0.20	\$0.42	\$2.61
DISC & SPRAY	185 HP	0.17 HR		\$1.45	\$4.57	\$1.66	\$4.13	\$11.82
LISTER	126 HP	0.12 HR		\$1.03	\$3.76	\$0.80	\$2.05	\$7.64
TRACK	126 HP	0.40 HR		\$3.42	\$12.54	\$1.59	\$3.37	\$20.92
PRE-IRRIGATE		0.75 HR		\$5.63	\$11.76	\$0.00	\$0.52	\$17.90
ROD WEED	126 HP	0.08 HR		\$0.68	\$2.51	\$0.38	\$0.97	\$4.54
PLANTER	185 HP	0.17 HR		\$1.45	\$4.57	\$1.26	\$6.46	\$13.75
CULTIVATOR (2X)	126 HP	0.26 HR		\$2.22	\$8.15	\$2.00	\$4.02	\$16.39
IRRIGATE (3X)		1.50 HR		\$11.25	\$35.27	\$0.00	\$1.55	\$48.07
<b>SUBTOTAL</b>		<b>4.26 HR</b>		<b>\$34.06</b>	<b>\$105.14</b>	<b>\$15.40</b>	<b>\$38.27</b>	<b>\$192.87</b>

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$26.18				\$26.18
HAUL (CUSTOM)				\$10.45				\$10.45
<b>SUBTOTAL</b>				<b>\$36.63</b>				<b>\$36.63</b>

OVERHEAD EXPENSES								
DOWNTIME		0.66 HR		\$5.60				\$5.60
EMPLOYEE BENEFITS				\$6.13				\$6.13
INSURANCE				\$0.68				\$0.68
LAND TAXES							\$0.71	\$0.71
SUPERVISION AND MANAGEMENT				\$36.65				\$36.65
OTHER EXPENSES				\$109.21				\$109.21
<b>SUBTOTAL</b>		<b>0.66 HR</b>		<b>\$109.89</b>	<b>\$48.38</b>		<b>\$0.71</b>	<b>\$158.98</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>4.92 HR</b>		<b>\$314.22</b>	<b>\$82.44</b>	<b>\$105.14</b>	<b>\$15.40</b>	<b>\$38.98</b>	<b>\$556.18</b>
---------------------------------	--	----------------	--	-----------------	----------------	-----------------	----------------	----------------	-----------------

<b>NET OPERATING PROFIT</b>									<b>(\$72.80)</b>
-----------------------------	--	--	--	--	--	--	--	--	------------------

INTEREST ON OPERATING CAPITAL	(	\$117.03	@	7.00%	)				\$8.19
INTEREST ON EQUIPMENT INVESTMENT									\$21.27

<b>RETURN TO LAND AND RISK</b>									<b>(\$102.26)</b>
--------------------------------	--	--	--	--	--	--	--	--	-------------------

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

**BUDGET SUMMARY**

GROSS RETURN		\$483.38						
VARIABLE OPERATING EXPENSES	\$434.76							
RETURN OVER VARIABLE EXPENSES		\$48.62	(GROSS MARGIN)					
FIXED EXPENSES	\$38.98							
NET FARM INCOME		\$9.64	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$82.44							
NET OPERATING PROFIT		(\$72.80)	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$29.46							
RETURN TO LAND AND RISK		(\$102.26)						

TABLE 9. Upland cotton (stripper), flood-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, Projected 2012.  
 Planting Dates: May 1 - May 15  
 Harvest Dates: November 15 - December 30

ITEM	PRICE	YIELD	BASE					TOTAL	
<b>GROSS RETURNS</b>									
LINT	\$0.81	500.00 LBS						\$405.00	
SEED	\$0.07	800 LBS						\$56.00	
DIRECT PAYMENT	\$0.0000	500.00 LBS	0.85					\$0.00	
COUNTER CYCLICAL PAYMENT	\$0.1373	500.00 LBS	0.85					\$58.35	
<b>TOTAL</b>								<b>\$519.35</b>	
<b>PURCHASED INPUTS</b>									
	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
SEED	\$8.00	25 LB	\$200.00						\$200.00
NITROGEN (N)	\$0.89	80 LB	\$71.20						\$71.20
PHOSPHATE (P205)	\$0.75	60 LB	\$45.00						\$45.00
HERBICIDE	\$15.88	1 X/ACRE	\$15.88						\$15.88
INSECTICIDE	\$10.28	1 X/ACRE	\$10.28						\$10.28
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01						\$20.01
PUMP WATER*		15 AC. IN.							
CROP INSURANCE	\$0.71		\$0.71						\$0.71
<b>SUBTOTAL</b>			<b>\$363.08</b>						<b>\$363.08</b>
<b>PREHARVEST OPERATIONS</b>									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.14 HR		\$1.20	\$3.77	\$1.27	\$2.70	\$8.94	
PLOW	185 HP	0.48 HR		\$4.10	\$12.91	\$4.97	\$9.36	\$31.35	
DISC	185 HP	0.14 HR		\$1.20	\$3.77	\$1.27	\$2.70	\$8.94	
FERT SPREADER	126 HP	0.05 HR		\$0.43	\$1.57	\$0.20	\$0.42	\$2.61	
DISC & SPRAY	185 HP	0.17 HR		\$1.45	\$4.57	\$1.66	\$4.13	\$11.82	
LISTER	126 HP	0.12 HR		\$1.03	\$3.76	\$0.80	\$2.05	\$7.64	
TRACK	126 HP	0.40 HR		\$3.42	\$12.54	\$1.59	\$3.37	\$20.92	
PRE-IRRIGATE		0.75 HR		\$5.63	\$11.76	\$0.00	\$0.52	\$17.90	
ROD WEED	126 HP	0.08 HR		\$0.68	\$2.51	\$0.38	\$0.97	\$4.54	
PLANTER	185 HP	0.17 HR		\$1.45	\$4.57	\$1.26	\$6.46	\$13.75	
CULTIVATOR (2X)	126 HP	0.26 HR		\$2.22	\$8.15	\$2.00	\$4.02	\$16.39	
HAND HOE (CUSTOM)			\$10.00					\$10.00	
IRRIGATE (2X)		1.00 HR		\$7.50	\$23.51	\$0.00	\$1.03	\$32.05	
<b>SUBTOTAL</b>		<b>3.76 HR</b>	<b>\$10.00</b>	<b>\$30.31</b>	<b>\$93.38</b>	<b>\$15.40</b>	<b>\$37.75</b>	<b>\$186.85</b>	
<b>HARVEST OPERATIONS</b>									
COTTON STRIPPER MTD	126 HP	0.62 HR		\$5.30	\$16.68	\$3.91	\$21.27	\$47.16	
HAUL	126 HP	0.75 HR		\$6.41	\$23.51	\$3.01	\$10.03	\$42.96	
GIN COTTON (CUSTOM)			\$82.70					\$82.70	
<b>SUBTOTAL</b>		<b>1.37 HR</b>	<b>\$82.70</b>	<b>\$11.71</b>	<b>\$40.19</b>	<b>\$6.92</b>	<b>\$31.30</b>	<b>\$172.82</b>	
<b>POSTHARVEST OPERATIONS</b>									
SHREDDER	126 HP	0.14 HR		\$1.20	\$4.39	\$0.61	\$6.23	\$12.43	
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0.92 HR		\$7.84				\$7.84	
EMPLOYEE BENEFITS				\$7.78				\$7.78	
INSURANCE			\$0.86					\$0.86	
LAND TAXES							\$0.71	\$0.71	
SUPERVISION AND MANAGEMENT				\$39.25				\$39.25	
OTHER EXPENSES			\$109.21					\$109.21	
<b>SUBTOTAL</b>		<b>0.92 HR</b>	<b>\$110.07</b>	<b>\$54.87</b>			<b>\$0.71</b>	<b>\$165.66</b>	
<b>TOTAL OPERATING EXPENSES</b>		<b>6.19 HR</b>	<b>\$565.86</b>	<b>\$98.10</b>	<b>\$137.96</b>	<b>\$22.94</b>	<b>\$75.99</b>	<b>\$900.84</b>	
<b>NET OPERATING PROFIT</b>								<b>(\$381.49)</b>	
INTEREST ON OPERATING CAPITAL		( \$220.81 @ 7.00% )						\$15.46	
INTEREST ON EQUIPMENT INVESTMENT								\$41.05	
<b>RETURN TO LAND AND RISK</b>								<b>(\$438.00)</b>	

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

**BUDGET SUMMARY**

GROSS RETURN		\$519.35	
VARIABLE OPERATING EXPENSES	\$726.76		
RETURN OVER VARIABLE EXPENSES		(\$207.41)	(GROSS MARGIN)
FIXED EXPENSES	\$75.99		
NET FARM INCOME		(\$283.39)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$98.10		
NET OPERATING PROFIT		(\$381.49)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$56.51		
RETURN TO LAND AND RISK		(\$438.00)	

TABLE 10. Peanuts, flood-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, Projected 2012.

Planting Dates: May 10 - June 10

Harvest Dates: October 10 - November 10

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
PEANUTS	\$0.15	2,600.00 LBS	\$393.90
TOTAL			\$393.90

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.95	100 LB	\$95.00		\$95.00
NITROGEN (N)	\$0.89	50 LB	\$44.50		\$44.50
PHOSPHATE (P205)	\$0.75	80 LB	\$60.00		\$60.00
HERBICIDE	\$16.96	1 X/ACRE	\$16.96		\$16.96
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01		\$20.01
FUNGICIDE	\$37.67	1 X/ACRE	\$37.67		\$37.67
TRACE ELEMENTS	\$11.92	1 X/ACRE	\$11.92		\$11.92
PUMP WATER*		24 AC. IN.			
SUBTOTAL			\$286.05		\$286.05

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.20	\$3.77	\$1.27	\$2.70	\$8.94
PLOW	185 HP	0.48 HR		\$4.10	\$12.91	\$4.97	\$9.36	\$31.35
DISC	185 HP	0.14 HR		\$1.20	\$3.77	\$1.27	\$2.70	\$8.94
FERT SPREADER	126 HP	0.05 HR		\$0.43	\$1.57	\$0.20	\$0.42	\$2.61
SPRAY & DISC	185 HP	0.17 HR		\$1.45	\$4.57	\$1.66	\$4.13	\$11.82
LISTER	126 HP	0.12 HR		\$1.03	\$3.76	\$0.80	\$2.05	\$7.64
TRACK	126 HP	0.40 HR		\$3.42	\$12.54	\$1.59	\$3.37	\$20.92
PRE-IRRIGATE		0.75 HR		\$5.63	\$14.11	\$0.00	\$0.62	\$20.35
LISTER	126 HP	0.12 HR		\$1.03	\$3.76	\$0.80	\$2.05	\$7.64
ROD WEEDER	126 HP	0.08 HR		\$0.68	\$2.51	\$0.38	\$0.97	\$4.54
PLANTER	185 HP	0.17 HR		\$1.45	\$4.57	\$1.26	\$6.46	\$13.75
CULTIVATOR (2X)	126 HP	0.26 HR		\$2.22	\$8.15	\$2.00	\$4.02	\$16.39
HAND HOE (CUSTOM)			\$12.00					\$12.00
IRRIGATE (3X)		1.50 HR		\$11.25	\$42.32	\$0.00	\$1.86	\$55.43
SUBTOTAL		4.38 HR	\$12.00	\$35.09	\$118.31	\$16.20	\$40.73	\$222.32

HARVEST OPERATIONS

DIG AND INVERT	185 HP	0.24 HR		\$2.05	\$6.46	\$1.30	\$5.21	\$15.02
COMBINE PEANUTS	185 HP	0.80 HR		\$6.84	\$21.52	\$5.24	\$80.79	\$114.39
HAUL	126 HP	0.80 HR		\$6.84	\$25.08	\$3.29	\$14.99	\$50.19
SUBTOTAL		1.84 HR	\$0.00	\$15.73	\$53.05	\$9.82	\$100.99	\$179.60

OVERHEAD EXPENSES

DOWNTIME		0.81 HR		\$6.90				\$6.90
EMPLOYEE BENEFITS				\$9.15				\$9.15
INSURANCE			\$1.02					\$1.02
LAND TAXES							\$0.71	\$0.71
SUPERVISION AND MANAGEMENT				\$33.03				\$33.03
OTHER EXPENSES			\$109.21					\$109.21
SUBTOTAL		0.81 HR	\$110.23	\$49.08			\$0.71	\$160.03

TOTAL OPERATING EXPENSES 7.03 HR \$408.28 \$99.90 \$171.36 \$26.03 \$142.44 \$848.00

NET OPERATING PROFIT (\$454.10)

INTEREST ON OPERATING CAPITAL ( \$181.89 @ 7.00% ) \$12.73  
 INTEREST ON EQUIPMENT INVESTMENT \$74.95

RETURN TO LAND AND RISK (\$541.78)

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

BUDGET SUMMARY

GROSS RETURN		\$393.90	
VARIABLE OPERATING EXPENSES	\$605.66		
RETURN OVER VARIABLE EXPENSES	(\$211.76)	(GROSS MARGIN)	
FIXED EXPENSES	\$142.44		
NET FARM INCOME	(\$354.20)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$99.90		
NET OPERATING PROFIT	(\$454.10)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$87.68		
RETURN TO LAND AND RISK	(\$541.78)		

TABLE 11. Summary of per acre costs and returns for a 320 acre farm with above average management, Roosevelt County, New Mexico, Projected 2012.

	WHEAT	CORN	GRAIN SORGHUM	STRIPPER COTTON	PEANUTS
	BU	CWT	CWT	LBS	LBS
PRIMARY YIELD	50.00	65.00	55.00	500.00	2,600.00
PRIMARY PRICE	\$6.50	\$9.38	\$8.63	\$0.81	\$0.15
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$40.00	\$15.00	\$9.00	\$56.00	\$0.00
GROSS RETURN	\$365.00	\$624.38	\$483.38	\$519.35	\$393.90
CASH OPERATING EXPENSES					
SEED	\$30.00	\$83.13	\$11.82	\$200.00	\$95.00
FERTILIZER	\$119.00	\$178.50	\$119.00	\$116.20	\$104.50
CHEMICALS	\$20.01	\$49.80	\$35.89	\$46.17	\$74.64
CROP INSURANCE	\$0.74	\$0.98	\$0.98	\$0.71	
OTHER PURCHASED INPUTS					\$11.92
CANAL WATER					
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$26.40	\$57.76	\$58.11	\$102.69	\$114.93
FUEL-IRRIGATION	\$58.78	\$89.35	\$47.02	\$35.27	\$56.43
REPAIRS	\$7.72	\$15.52	\$15.40	\$22.94	\$26.03
CUSTOM CHARGES	\$28.20	\$34.45	\$36.63	\$92.70	\$12.00
LAND TAXES	\$0.71	\$0.71	\$0.71	\$0.71	\$0.71
OTHER EXPENSES	\$109.74	\$110.06	\$109.89	\$110.07	\$110.23
TOTAL CASH EXPENSES	\$401.30	\$620.25	\$435.47	\$727.47	\$606.38
RETURN OVER CASH EXPENSES	(\$36.30)	\$4.12	\$47.90	(\$208.12)	(\$212.48)
FIXED EXPENSES	\$24.14	\$40.70	\$38.27	\$75.27	\$141.72
TOTAL EXPENSES	\$425.43	\$660.95	\$473.74	\$802.75	\$748.10
NET FARM INCOME	(\$60.43)	(\$36.58)	\$9.64	(\$283.39)	(\$354.20)
LABOR AND MANAGEMENT COSTS	\$62.01	\$100.08	\$82.44	\$98.10	\$99.90
NET OPERATING PROFIT	(\$122.44)	(\$136.66)	(\$72.80)	(\$381.49)	(\$454.10)
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL	\$7.73	\$13.98	\$8.19	\$15.46	\$12.73
INTEREST ON EQUIPMENT INVESTMENT	\$12.47	\$22.83	\$21.27	\$41.05	\$74.95
TOTAL CAPITAL COSTS	\$20.20	\$36.81	\$29.46	\$56.51	\$87.68
RETURN TO LAND AND RISK	(\$142.64)	(\$173.47)	(\$102.26)	(\$438.00)	(\$541.78)
Flex Computation	-106.04	-109.94	-42.73	-321.67	-325.11

TABLE 12. Whole farm summary, Portales Valley, Roosevelt County,  
Projected 2012.

GROSS RETURNS		
WHEAT	68.00 ACRES	
CROP		\$22,100
GRAZING		\$2,720
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	51.00 ACRES	
CROP		\$31,078
GRAZING		\$765
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	51.00 ACRES	
CROP		\$24,193
GRAZING		\$459
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
UPLAND COTTON	70.00 ACRES	
LINT		\$28,350
SEED		\$3,920
DIRECT PAYMENT		\$0
PEANUTS	60.00 ACRES	
CROP		\$23,634
GROSS RETURN		<u>\$137,219</u>
CASH OPERATING EXPENSES		
SEED		\$26,582
FERTILIZER		\$37,669
CHEMICALS		\$13,441
CROP INSURANCE		\$200
OTHER PURCHASED INPUTS		\$715
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$21,789
FUEL-IRRIGATION		\$16,806
REPAIRS		\$5,269
CUSTOM CHARGES		\$12,752
LAND TAXES		\$214
OTHER EXPENSES		\$32,999
TOTAL CASH EXPENSES		<u>\$168,436</u>
RETURN OVER CASH EXPENSES		(\$31,217)
FIXED EXPENSES		\$19,441
TOTAL EXPENSES		\$187,877
NET FARM INCOME		(\$50,658)
LABOR AND MANAGEMENT COSTS		\$26,386
NET OPERATING PROFIT		(\$77,043)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$3,502
INTEREST ON EQUIPMENT INVESTMENT		\$10,467
TOTAL CAPITAL COSTS		<u>\$13,970</u>
RETURN TO LAND AND RISK		<u>(\$91,013)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$95,813)	-25.23%
\$750 /ACRE	(\$98,213)	-19.99%
\$1,000 /ACRE	(\$100,613)	-16.55%
\$1,250 /ACRE	(\$103,013)	-14.13%
\$1,500 /ACRE	(\$105,413)	-12.32%
\$1,750 /ACRE	(\$107,813)	-10.92%
\$2,000 /ACRE	(\$110,213)	-9.81%

\* 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)