## SOUTHWEST REGION
### LARGE COW/CALF BUDGET 2012

<table>
<thead>
<tr>
<th>BREED HERD SIZE</th>
<th>CALF CROP PERCENT</th>
<th>REPLACEMENT HEIFER'S KEPT</th>
</tr>
</thead>
<tbody>
<tr>
<td>350 COW to BULL</td>
<td>15%</td>
<td>84%</td>
</tr>
</tbody>
</table>

### VALUE OF PRODUCTION

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>WEIGHT</th>
<th>PRICE</th>
<th>VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### CULL RATE

- **15%**

### REPLACEMENT HEIFER'S KEPT

- **52.5%**

### VARIABLE COSTS

#### 1. FEED COSTS

<table>
<thead>
<tr>
<th>UNITS</th>
<th>QUANTITY/PERCENT</th>
<th>PRICE</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>HAY</td>
<td>TON 22.00</td>
<td>$245</td>
<td>$5,390</td>
</tr>
<tr>
<td>STATE</td>
<td>AUY 40.0%</td>
<td>$38.04</td>
<td>$5,362</td>
</tr>
<tr>
<td>FEDERAL LEASE</td>
<td>AUY 40.0%</td>
<td>$21.60</td>
<td>$7,440</td>
</tr>
<tr>
<td>PRIVATE (Owned)</td>
<td>AUY 20.0%</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>PRIVATE (Leased Grazing)</td>
<td>AUY 0.0%</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>SALT &amp; MINERAL</td>
<td>TON 5.00</td>
<td>$315</td>
<td>$1,575</td>
</tr>
<tr>
<td>PROTEIN SUPP</td>
<td>TON 16.00</td>
<td>$540</td>
<td>$5,640</td>
</tr>
<tr>
<td>OTHER</td>
<td>0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**TOTAL**

- **$25,251**

### 2. OTHER VARIABLE COSTS

- **$5,246**

- **$1,447**

- **$12,000**

- **$4,428**

- **$3,383**

- **$242**

- **$15,000**

**TOTAL**

- **$46,173**

### 3. INTEREST ON VARIABLE COSTS

- **$2,500**

**TOTAL**

- **$73,923**

### OWNERSHIP COSTS

#### Annual Capital Recovery**

- **$107,923**

### TOTAL CASH AND VARIABLE COSTS

- **$88,255**

### TOTAL COSTS

- **$168,384**

### RETURN ABOVE TOTAL CASH COSTS

- **$93,591**

### RETURN ABOVE TOTAL COSTS

- **$13,463**

### BREAKEVEN CALCULATIONS

- **$51.58**

- **$51.58**

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1) Calf crop is defined as the actual number of calves sold divided by the total number of cows (assuming all cows were exposed).
2) Prices represent 2012 price projections from Cattle Fax, Dicane reports for New Mexico feeder cattle cash prices.
3) Market prices include commissions, brand inspections, beef council, yardage, feed, and insurance.
4) Annual capital recovery is the method of calculating depreciation and interest recommended by the National Task Force on Commodity Costs and Returns Measurement Methods.
5) The 35% reduction in asset values which represent a mix of new and used machinery.
6) Interest on average investment.