TABLE 6. WHEAT, SPRINKLER IRRIGATED, BUDGETED PER ACRE COSTS AND RETURNS FOR A 700 ACRE FARM WITH ABOVE AVERAGE MANAGEMENT, COTTON CITY-ANIMAS AREA, HIDALGO COUNTY

HARVEST DATES: JUNE 15 - JULY 1

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<td>$81.25</td>
</tr>
<tr>
<td>NITROGEN (N)</td>
<td>$0.45</td>
<td>30 LBS</td>
<td>$13.50</td>
</tr>
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<td>PHOSPHATE (P2O5)</td>
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<td>0.05 HR</td>
<td>$0.43</td>
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<td>DRILL (2X)</td>
<td>96 HP</td>
<td>0.2 HR</td>
<td>$1.71</td>
</tr>
<tr>
<td>ANHYDROUS KNIVES</td>
<td>185 HP</td>
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<td>DRILL</td>
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<tr>
<td>RETURN TO LAND AND RISK</td>
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</table>

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

BUDGET SUMMARY

| GROSS RETURN | $350.00 |
| VARIABLE OPERATING EXPENSES | $345.38 |
| RETURN OVER VARIABLE EXPENSES | $4.62 | (GROSS MARGIN) |
| FIXED EXPENSES | $42.63 |
| NET FARM INCOME | -$36.00 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | $41.43 |
| NET OPERATING PROFIT | -$79.43 | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | $11.96 |
| RETURN TO LAND AND RISK | -$89.39 |
TABLE 7. CORN FOR GRAIN, SPRINKLER IRRIGATED, BUDGETED PER ACRE COSTS AND RETURNS FOR A 700 ACRE FARM WITH AVERAGE MANAGEMENT, COTTON CITY-ANIMAS AREA, HIDALGO COUNTY
Projected 2015
PLANTING DATES: APRIL 1 - MAY 15
HARVEST DATES: SEPTEMBER 15 - NOVEMBER 1

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<td>NITROGEN (N)</td>
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<th>REPAIRS</th>
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<tbody>
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<td>$2.57</td>
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| TOTAL OPERATING EXPENSES | 3.45 HR | $356.12 | $60.11 | $55.53 | $36.31 | $48.37 | $556.43 |

<table>
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<tr>
<td>RETURN TO LAND AND RISK</td>
<td>-$209.64</td>
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

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<tr>
<td>NET OPERATING PROFIT</td>
<td>-$190.93 (RETURN TO CAPITAL, LAND &amp; RISK)</td>
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<td>CAPITAL COSTS</td>
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<tr>
<td>RETURN TO LAND AND RISK</td>
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TABLE 8. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas area, Hidalgo County
Projected 2015
Planting dates: May 1 - May 20
Harvesting dates: November 1 - November 25

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Purchased Inputs

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<th>INPUTS</th>
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PreHarvest Operations

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<th>FUEL &amp; LUBE</th>
<th>FIXED COSTS</th>
<th>TOTAL</th>
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<td>$7.37</td>
<td>$1.78</td>
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</tr>
<tr>
<td>DISC</td>
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<td>0.14 HR</td>
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<td>$25.25</td>
<td>$50.70</td>
<td>$196.91</td>
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Harvest Operations

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<tr>
<th>ITEM</th>
<th>COMBINE (CUSTOM)</th>
<th>HAUL TO STORAGE (CUSTOM)</th>
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<th>TOTAL</th>
</tr>
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<tbody>
<tr>
<td>TOTAL</td>
<td>$34.72</td>
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<td>$0.00</td>
<td>$0.00</td>
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Post Harvest Operations

| ITEM | SHREDDER | 80 HP | 0.14 HR | $1.20 | $1.88 | $1.91 | $1.62 | $6.62 |

Overhead Expenses

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<tr>
<th>ITEM</th>
<th>DOWNTIME</th>
<th>0.51375 HR</th>
<th>$4.39</th>
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<td>EMPLOYEE BENEFITS</td>
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<td>INSURANCE</td>
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<td>LAND TAXES</td>
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</tr>
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<td>SUPERVISION AND MANAGEMENT</td>
<td>$34.94</td>
<td>$34.94</td>
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<td>OTHER EXPENSES</td>
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<td></td>
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<tr>
<td>TOTAL</td>
<td>0.51375 HR</td>
<td>$76.53</td>
<td>$46.88</td>
<td>$2.57</td>
</tr>
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</table>

Total Operating Expenses

| ITEM | 5.81875 HR | $200.11 | $88.82 | $82.10 | $27.16 | $54.90 | $453.10 |

Net Operating Profit

- $15.11

Interest on Operating Capital

( $74.64 @ 5.50% ) $4.11

Interest on Equipment Investment

$18.59

Return to Land and Risk

- $37.81

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

BUDGET SUMMARY

Gross Return

$437.99

Variable Operating Expenses

$309.38

Return over Variable Expenses

$128.61 (GROSS MARGIN)

Fixed Expenses

$54.90

Net Farm Income

$73.71 (RETURN TO CAPITAL, LABOR, LAND & RISK)

Labor and Management Cost

$88.82

Net Operating Profit

$15.11 (RETURN TO CAPITAL, LAND & RISK)

Capital Costs

$22.69

Return to Land and Risk

$37.81
Table 9: Upland cotton (ginner), flood-irrigated, budgeted per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas area, Hidalgo County
Projected 2015
Planting dates: April 15 - May 15
Harvesting dates: October 15 - January 1

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<th>Yield</th>
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<td><strong>Gross Returns</strong></td>
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<tr>
<td><strong>Cotton Lint</strong></td>
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</tr>
<tr>
<td><strong>Cotton Seed</strong></td>
<td>$0.05</td>
<td>1696 LBS</td>
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<table>
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<th>Item</th>
<th>Price</th>
<th>Quantity</th>
<th>Purchase D Inputs</th>
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<td><strong>Purchased Inputs</strong></td>
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<td><strong>Phosphate (P2O5)</strong></td>
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</thead>
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<td><strong>Preharvest Operations</strong></td>
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<td><strong>Ripper</strong></td>
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<td>0.1 HR</td>
<td>$0.86</td>
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<td><strong>Disc</strong></td>
<td>185 HP</td>
<td>0.14 HR</td>
<td>$1.20</td>
<td>$1.20</td>
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<tr>
<td><strong>Fertilizer</strong></td>
<td>185 HP</td>
<td>0.05 HR</td>
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<td>$0.43</td>
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<td><strong>Drag (2X)</strong></td>
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<td><strong>Disc &amp; Spray</strong></td>
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<td><strong>Lister</strong></td>
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<td><strong>Pre-Irrigate</strong></td>
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<td><strong>Rolling Cult.</strong></td>
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<td>$15.00</td>
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<td><strong>Roto Buck (5X)</strong></td>
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<td><strong>Irrigate (4X)</strong></td>
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<td>6.785 HR</td>
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<tr>
<td><strong>Harvest Operations</strong></td>
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<td><strong>Cotton Picker (2X)</strong></td>
<td>2 ROW</td>
<td>1.24 HR</td>
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<td>$10.60</td>
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<td><strong>Cotton Trailer (2X)</strong></td>
<td>HALF TON</td>
<td>1 HR</td>
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<td>$8.55</td>
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<td><strong>Gin Cotton (Custom)</strong></td>
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<td>$115.75</td>
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<table>
<thead>
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<th>Item</th>
<th>Price</th>
<th>Rate</th>
<th>Purchase D Inputs</th>
<th>Total</th>
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<tbody>
<tr>
<td><strong>Postharvest Operations</strong></td>
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<td><strong>Shredder</strong></td>
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<td></td>
<td>0.14 HR</td>
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<table>
<thead>
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<th>Item</th>
<th>Price</th>
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<td><strong>Overhead Expenses</strong></td>
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<td><strong>Downtime</strong></td>
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<td>$8.90</td>
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<td><strong>Employee Benefits</strong></td>
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<td>$13.16</td>
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<td><strong>Insurance</strong></td>
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<td>$1.46</td>
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<tr>
<td><strong>Land Taxes</strong></td>
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<td>$2.57</td>
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<tr>
<td><strong>Supervision and Management</strong></td>
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<td>$79.65</td>
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<tr>
<td><strong>Other Expenses</strong></td>
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<td>$75.69</td>
<td>$75.69</td>
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<tr>
<td><strong>Total</strong></td>
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<td>1.04125 HR</td>
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<td>$101.71</td>
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**Total Operating Expenses**: $10,206.25 HR | $436.51 | $174.82 | $117.88 | $85.93 | $99.86 | $915.00

**Net Operating Profit**: $121.68

**Return to Land and Risk**: $77.34

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

**Budget Summary**

<table>
<thead>
<tr>
<th>Item</th>
<th>Price</th>
</tr>
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<tbody>
<tr>
<td><strong>Gross Return</strong></td>
<td>$1,036.68</td>
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<td><strong>Net Farm Income</strong></td>
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<tr>
<td><strong>Labor and Management Cost</strong></td>
<td>$174.82</td>
</tr>
<tr>
<td><strong>Net Operating Profit</strong></td>
<td>$121.68</td>
</tr>
<tr>
<td><strong>Capital Costs</strong></td>
<td>$44.34</td>
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<tr>
<td><strong>Return to Land and Risk</strong></td>
<td>$77.34</td>
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**TABLE 10.** Green chile, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Cotton City-Animas Area, Hidalgo County  
Projected 2015  
Planting dates: March 15 - May 1  
Harvesting dates: August 15 - September 15  

<table>
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<td>GREEN CHILE</td>
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<td>RED CHILE</td>
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<td>0 LBS</td>
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<td></td>
<td><strong>$4,750.00</strong></td>
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<td>PURCHASED INPUTS</td>
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<td>SEED</td>
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<td>ANHYDROUS AMMONIA (NH3)</td>
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<td>NITROGEN (N)</td>
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<td>PHOSPHATE (P2O5)</td>
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<td>HERBICIDE</td>
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<td>INSECTICIDE</td>
<td>$12.57</td>
<td>1 ACRE</td>
<td>$12.57</td>
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<td>CROP INSURANCE</td>
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<td>PUMP WATER*</td>
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<td>THIN &amp; HOE (CUSTOM)</td>
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<tr>
<td>ROTO BUCK (7X)</td>
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<td>SUPERVISION AND MANAGEMENT</td>
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<td>RETURN TO LAND AND RISK</td>
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* Pump water costs are shown under irrigation in the preharvest operations section.

**BUDGET SUMMARY**

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<td><strong>CAPITAL COSTS</strong></td>
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</tr>
<tr>
<td><strong>RETURN TO LAND AND RISK</strong></td>
<td>$2,535.54</td>
</tr>
</tbody>
</table>
TABLE 11. Red chile, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Cotton City-Animas Area, Hidalgo County
Projected 2015
Planting dates: March 15 - May 1
Harvesting dates: September 15 - January 31

<table>
<thead>
<tr>
<th>Item</th>
<th>Price</th>
<th>Yield</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GROSS RETURNS</strong></td>
<td>$1.00</td>
<td>3500 LBS</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>$3,500.00</td>
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<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Purchased Inputs</th>
<th>Price</th>
<th>Quantity</th>
<th>Purchased Inputs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SEED</strong></td>
<td>$18.00</td>
<td>4 LBS</td>
<td>$72.00</td>
</tr>
<tr>
<td><strong>ANHYDROUS AMMONIA (NH3)</strong></td>
<td>$0.33</td>
<td>230 LBS</td>
<td>$74.75</td>
</tr>
<tr>
<td><strong>NITROGEN (N)</strong></td>
<td>$0.36</td>
<td>60 LBS</td>
<td>$21.60</td>
</tr>
<tr>
<td><strong>PHOSPHATE (P2O5)</strong></td>
<td>$0.33</td>
<td>150 LBS</td>
<td>$49.50</td>
</tr>
<tr>
<td><strong>HERBICIDE</strong></td>
<td>$14.11</td>
<td>1 ACRE</td>
<td>$14.11</td>
</tr>
<tr>
<td><strong>INSECTICIDE</strong></td>
<td>$14.22</td>
<td>1 ACRE</td>
<td>$14.22</td>
</tr>
<tr>
<td><strong>CROP INSURANCE</strong></td>
<td>$0.00</td>
<td>1 DOLLARS</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>PUMP WATER</strong></td>
<td>$48.00</td>
<td>4 AC. IN.</td>
<td>$48.00</td>
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</tbody>
</table>

| **SUBTOTAL**                  | $246.17 | $246.17    |           |

<table>
<thead>
<tr>
<th>Preharvest Operations</th>
<th>Power</th>
<th>Accomplishment Rate</th>
<th>Purchased Inputs</th>
<th>Fuel &amp; Lube</th>
<th>Repairs</th>
<th>Fixed</th>
</tr>
</thead>
<tbody>
<tr>
<td>DISC</td>
<td>185 HP</td>
<td>0.14 HR</td>
<td>$1.20</td>
<td>$5.16</td>
<td>$1.37</td>
<td>$4.47</td>
</tr>
<tr>
<td>PLOW</td>
<td>185 HP</td>
<td>0.48 HR</td>
<td>$4.10</td>
<td>$17.68</td>
<td>$5.38</td>
<td>$27.27</td>
</tr>
<tr>
<td>DISC</td>
<td>185 HP</td>
<td>0.14 HR</td>
<td>$1.20</td>
<td>$5.16</td>
<td>$1.37</td>
<td>$4.47</td>
</tr>
<tr>
<td>DRAG (2X)</td>
<td>96 HP</td>
<td>0.2 HR</td>
<td>$1.71</td>
<td>$2.69</td>
<td>$1.08</td>
<td>$5.48</td>
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<tr>
<td>LISTER</td>
<td>185 HP</td>
<td>0.12 HR</td>
<td>$1.03</td>
<td>$4.42</td>
<td>$1.09</td>
<td>$10.31</td>
</tr>
<tr>
<td>FERTILIZE</td>
<td>185 HP</td>
<td>0.05 HR</td>
<td>$0.43</td>
<td>$1.84</td>
<td>$0.40</td>
<td>$2.67</td>
</tr>
<tr>
<td>PRE-IRRIGATE</td>
<td>0.75 HR</td>
<td>$6.41</td>
<td>$30.08</td>
<td>$0.07</td>
<td>$0.67</td>
<td>$37.23</td>
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<tr>
<td>ROLLING CULT</td>
<td>96 HP</td>
<td>0.13 HR</td>
<td>$1.11</td>
<td>$1.75</td>
<td>$1.70</td>
<td>$4.56</td>
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<tr>
<td>VEGETABLE PLANTER</td>
<td>96 HP</td>
<td>0.17 HR</td>
<td>$1.45</td>
<td>$2.29</td>
<td>$2.20</td>
<td>$5.94</td>
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<tr>
<td>CULTIVATOR (5X)</td>
<td>96 HP</td>
<td>0.65 HR</td>
<td>$5.56</td>
<td>$8.75</td>
<td>$7.68</td>
<td>$20.06</td>
</tr>
<tr>
<td>THIN &amp; HOE (CUSTOM)</td>
<td>96 HP</td>
<td>0.21 HR</td>
<td>$1.80</td>
<td>$3.31</td>
<td>$2.53</td>
<td>$5.64</td>
</tr>
<tr>
<td>ROTO BUCK (7X)</td>
<td>96 HP</td>
<td>0.21 HR</td>
<td>$1.80</td>
<td>$3.31</td>
<td>$2.53</td>
<td>$5.64</td>
</tr>
<tr>
<td>IRRIGATE (11X)</td>
<td>5.5 HR</td>
<td>$47.03</td>
<td>$55.15</td>
<td>$0.00</td>
<td>$4.88</td>
<td>$107.66</td>
</tr>
</tbody>
</table>

| **SUBTOTAL**                  | 8.54 HR | $90.00            | $138.29          | $26.67      | $63.72  | $391.70|

| Harvest Operations            |         |                    |                  |
| Harvest (Custom)              | $700.00 |                    | $700.00          |
| HAUL                          | 3/4 TON | 3 HR               | $25.65           | $47.25      | $6.63   | $88.20 |

| **SUBTOTAL**                  | 3 HR    | $700.00            | $47.25           | $6.63       | $88.20  |

| Post Harvest Operations       |         |                    |                  |
| SHREDDER                      | 80 HP   | 0.29 HR            | $2.48            | $3.90       | $3.96   | $13.71 |

| **SUBTOTAL**                  | 0.29 HR | $2.48              | $3.90            | $3.96       | $13.71  |

| Overhead Expenses             |         |                    |                  |
| DOWNTIME                      | 1.395 HR |                  | $11.93           | $11.93      |
| Employee Benefits             |         |                    | $18.21           | $18.21      |
| INSURANCE                     | $2.02   |                    | $2.02            |             |
| LAND TAXES                    |         |                    | $2.57            | $2.57       |
| Supervision and Management    | $94.06  |                    | $94.06           |             |
| OTHER EXPENSES                | $75.69  |                    | $75.69           |             |

| **SUBTOTAL**                  | 1.395 HR | $77.71            | $124.19          | $6.00       | $2.57   | $204.48|

| **TOTAL OPERATING EXPENSES**  | 13,225 HR | $1,113.88         | $225.34          | $189.44     | $37.26  | $1,644.26|

| **NET OPERATING PROFIT**      | $1,855.74 |                   |                  |
| Interest on Operating Capital | ($227.80 @ 5.50%) | $12.53         |
| Interest on Equipment Investment |            | $37.74         |

| **RETURN TO LAND AND RISK**   | $1,805.47 |                   |                  |

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

**BUDGET SUMMARY**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td><strong>GROSS RETURN</strong></td>
<td>$1,340.59</td>
</tr>
<tr>
<td><strong>RETURN OVER VARIABLE EXPENSES</strong></td>
<td>(GROSS MARGIN)</td>
</tr>
<tr>
<td><strong>FIXED EXPENSES</strong></td>
<td>$78.33</td>
</tr>
<tr>
<td><strong>NET FARM INCOME</strong></td>
<td></td>
</tr>
<tr>
<td><strong>LABOR AND MANAGEMENT COST</strong></td>
<td>$225.34</td>
</tr>
<tr>
<td><strong>NET OPERATING PROFIT</strong></td>
<td>(RETURN TO CAPITAL, LABOR, LAND &amp; RISK)</td>
</tr>
<tr>
<td><strong>CAPITAL COSTS</strong></td>
<td>$50.27</td>
</tr>
<tr>
<td><strong>RETURN TO LAND AND RISK</strong></td>
<td>$1,805.47</td>
</tr>
</tbody>
</table>
### TABLE 12: Summary of per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas area, Hidalgo County

Projected 2015

<table>
<thead>
<tr>
<th>GRAIN</th>
<th>PICKER</th>
<th>GREEN</th>
<th>RED</th>
</tr>
</thead>
<tbody>
<tr>
<td>SORGHUM</td>
<td>COTTON</td>
<td>CHILE</td>
<td>CHILE</td>
</tr>
<tr>
<td>-------</td>
<td>-------</td>
<td>------</td>
<td>------</td>
</tr>
<tr>
<td>--------</td>
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<td>------</td>
<td>------</td>
</tr>
<tr>
<td>FLOOD</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

#### Table Data

<table>
<thead>
<tr>
<th></th>
<th>CWT</th>
<th>LBS</th>
<th>TONS</th>
<th>LBS</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIMARY YIELD</td>
<td>62</td>
<td>1060</td>
<td>10</td>
<td>3500</td>
</tr>
<tr>
<td>PRIMARY PRICE</td>
<td>$7.06</td>
<td>$0.90</td>
<td>$475.00</td>
<td>$1.00</td>
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<tr>
<td>GOVERNMENT PAYMENTS</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>SECOND INCOME</td>
<td>$0.00</td>
<td>$82.68</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>GROSS RETURN</td>
<td>$437.99</td>
<td>$1,036.68</td>
<td>$4,750.00</td>
<td>$3,500.00</td>
</tr>
<tr>
<td>CASH OPERATING EXPENSES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEED</td>
<td>$10.48</td>
<td>$188.75</td>
<td>$88.00</td>
<td>$72.00</td>
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<tr>
<td>FERTILIZER</td>
<td>$58.50</td>
<td>$30.40</td>
<td>$184.50</td>
<td>$145.85</td>
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<td>CHEMICALS</td>
<td>$19.52</td>
<td>$9.46</td>
<td>$25.13</td>
<td>$28.32</td>
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<tr>
<td>CROP INSURANCE</td>
<td>$0.37</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>OTHER PURCHASED INPUTS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CANAL WATER</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FUEL, OIL &amp; LUBRICANTS-EQUIPMENT</td>
<td>$44.50</td>
<td>$82.79</td>
<td>$148.66</td>
<td>$104.21</td>
</tr>
<tr>
<td>FUEL-IRRIGATION</td>
<td>$37.60</td>
<td>$35.10</td>
<td>$94.01</td>
<td>$85.23</td>
</tr>
<tr>
<td>REPAIRS</td>
<td>$27.16</td>
<td>$85.93</td>
<td>$44.73</td>
<td>$37.26</td>
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<tr>
<td>CUSTOM CHARGES</td>
<td>$34.72</td>
<td>$130.75</td>
<td>$1,063.33</td>
<td>$790.00</td>
</tr>
<tr>
<td>LAND TAXES</td>
<td>$2.57</td>
<td>$2.57</td>
<td>$2.57</td>
<td>$2.57</td>
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<tr>
<td>OTHER EXPENSES</td>
<td>$76.53</td>
<td>$77.15</td>
<td>$77.93</td>
<td>$77.71</td>
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<tr>
<td>TOTAL CASH EXPENSES</td>
<td>$311.95</td>
<td>$642.89</td>
<td>$1,728.86</td>
<td>$1,343.16</td>
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<td>RETURN OVER CASH EXPENSES</td>
<td>$126.03</td>
<td>$393.79</td>
<td>$3,021.14</td>
<td>$2,156.84</td>
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<tr>
<td>FIXED EXPENSES</td>
<td>$52.32</td>
<td>$97.28</td>
<td>$87.66</td>
<td>$75.76</td>
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<tr>
<td>TOTAL EXPENSES</td>
<td>$364.27</td>
<td>$740.18</td>
<td>$1,816.53</td>
<td>$1,418.92</td>
</tr>
<tr>
<td>NET FARM INCOME</td>
<td>$73.71</td>
<td>$296.50</td>
<td>$2,933.47</td>
<td>$2,081.08</td>
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<tr>
<td>LABOR AND MANAGEMENT COSTS</td>
<td>$88.82</td>
<td>$174.82</td>
<td>$332.50</td>
<td>$225.34</td>
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<tr>
<td>NET OPERATING PROFIT</td>
<td>-$15.11</td>
<td>$121.68</td>
<td>$2,600.97</td>
<td>$1,855.74</td>
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<tr>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INTEREST ON OPERATING CAPITAL</td>
<td>$4.11</td>
<td>$8.68</td>
<td>$15.17</td>
<td>$12.53</td>
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<tr>
<td>INTEREST ON EQUIPMENT INVESTMENT</td>
<td>$18.59</td>
<td>$35.66</td>
<td>$46.75</td>
<td>$37.74</td>
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<tr>
<td>TOTAL CAPITAL COSTS</td>
<td>$22.69</td>
<td>$44.34</td>
<td>$61.92</td>
<td>$50.27</td>
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<tr>
<td>RETURN TO LAND AND RISK</td>
<td>-$37.81</td>
<td>$77.34</td>
<td>$2,539.05</td>
<td>$1,805.47</td>
</tr>
</tbody>
</table>
TABLE 13. Whole farm summary, Cotton City-Animas Area, Hidalgo County, Projected 2015

<table>
<thead>
<tr>
<th></th>
<th>GRAIN SORGHUM</th>
<th></th>
<th>UPLAND COTTON</th>
<th></th>
<th>GREEN CHILE</th>
<th></th>
<th>RED CHILE</th>
<th></th>
<th>GROSS RETURN</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>136 ACRES</td>
<td></td>
<td>153 ACRES</td>
<td></td>
<td>20 ACRES</td>
<td></td>
<td>20 ACRES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CROP</td>
<td>$59,566</td>
<td></td>
<td>LINT</td>
<td>$145,962</td>
<td>GREEN</td>
<td>$95,000</td>
<td>CROP</td>
<td>$70,000</td>
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<tr>
<td>ASCS DEFICIENCY</td>
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<td>ASCS DIVERSION</td>
<td>$0</td>
<td>RED</td>
<td>$0</td>
<td>ASCS DIVERSION</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>ASCS DEFICIENCY</td>
<td>$0</td>
<td></td>
<td>ASCS DIVERSION</td>
<td>$0</td>
<td>RED CHILE</td>
<td>$0</td>
<td>ASCS DIVERSION</td>
<td>$0</td>
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</tr>
</tbody>
</table>

**GROSS RETURNS**

**CASH OPERATING EXPENSES**

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
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<tbody>
<tr>
<td>SEED</td>
<td>$33,504</td>
<td>FERTILIZER</td>
<td>$19,214</td>
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<td>FUEL, OIL &amp; LUBRICANTS-EQUIPMENT</td>
<td>$23,776</td>
<td>FUEL-IRRIGATION</td>
<td>$14,068</td>
<td>REPAIRS</td>
</tr>
<tr>
<td>CUSTOM CHARGES</td>
<td>$61,794</td>
<td>LAND TAXES</td>
<td>$847</td>
<td>OTHER EXPENSES</td>
</tr>
</tbody>
</table>

**TOTAL CASH EXPENSES** $204,388

**RETURN OVER CASH EXPENSES** $178,790

**FIXED EXPENSES** $25,269

**TOTAL EXPENSES** $229,657

**NET FARM INCOME** $153,521

**LABOR AND MANAGEMENT COSTS** $49,985

**NET OPERATING PROFIT** $103,536

**CAPITAL COSTS**

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>INTEREST ON OPERATING CAPITAL</td>
<td>$2,440</td>
<td>INTEREST ON EQUIPMENT INVESTMENT</td>
<td>$9,673</td>
<td>TOTAL CAPITAL COSTS</td>
</tr>
</tbody>
</table>

**RETURN TO LAND AND RISK** $91,422

<table>
<thead>
<tr>
<th>LAND VALUE ($/ACRE)</th>
<th>RETURN ($/ACRE)</th>
<th>RETURN TO RISK (%)</th>
<th>RETURN ON INVESTMENT (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$500.00</td>
<td>$85,422.16</td>
<td>27.54%</td>
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</tr>
<tr>
<td>$700.00</td>
<td>$83,022.16</td>
<td>22.71%</td>
<td></td>
</tr>
<tr>
<td>$900.00</td>
<td>$80,622.16</td>
<td>19.32%</td>
<td></td>
</tr>
<tr>
<td>$1,100.00</td>
<td>$78,222.16</td>
<td>16.81%</td>
<td></td>
</tr>
<tr>
<td>$1,300.00</td>
<td>$75,822.16</td>
<td>14.88%</td>
<td></td>
</tr>
<tr>
<td>$1,500.00</td>
<td>$73,422.16</td>
<td>13.34%</td>
<td></td>
</tr>
</tbody>
</table>

* 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)

Flex Computation $33.10 $210.28