

TABLE 1. Acreage Summary, Cibola County, Projected 2016

|                                    |                     |                   |                 |
|------------------------------------|---------------------|-------------------|-----------------|
| BUDGET AREA.....                   | CIBOLA COUNTY       |                   |                 |
| FARM SIZE.....                     | 10 ACRES            |                   |                 |
| IRRIGATION TYPE.....               | FLOOD               |                   |                 |
| NUMBER OF CROPS.....               | 3                   |                   |                 |
|                                    | WATER USE           |                   |                 |
| ACREAGE SUMMARY:                   | LAND USE<br>(ACRES) | AC.IN.<br>PER AC. | TOTAL<br>AC.IN. |
| ALFALFA ESTABLISHMENT              | 0.5                 | 18                | 9               |
| ALFALFA                            | 4.0                 | 48                | 192             |
| PASTURE ESTABLISHMENT              | 0.5                 | 18                | 9               |
| PASTURE                            | 4.0                 | 30                | 120             |
| CORN                               | 1.0                 | 30                | 30              |
| TOTAL                              | 10.00               |                   | 360             |
| ACRE FEET PER ACRE OF WATER RIGHTS |                     |                   | 3.00            |

TABLE 2. Basic cost information for Cibola County, Projected 2016

| Item                            |                            |                              |
|---------------------------------|----------------------------|------------------------------|
| Labor Wage Rate:                | \$/hour                    | \$7.50                       |
| Purchased Inputs                |                            |                              |
| Seed:                           |                            |                              |
| Alfalfa                         | \$/pound                   | \$6.00                       |
| Oats                            | \$/pound                   | \$0.40                       |
| Corn                            | \$/bag                     | \$300.00                     |
| Wheat                           | \$/pound                   | \$0.30                       |
| Pasture                         | \$/pound                   | \$3.12                       |
| Baling wire                     | \$/pound                   | \$1.68                       |
| Gopher control                  | \$/acre                    | \$1.00                       |
| Canal water                     | \$/acre                    | \$5.00                       |
| Energy:                         |                            |                              |
| Diesel fuel                     | \$/gallon                  | \$2.70                       |
| Gasoline                        | \$/gallon                  | \$2.40                       |
| Electricity                     | cents/KwHr                 | 12.65                        |
| Employee Liability Insurance    | \$/ \$1,000 wages          | \$12.00                      |
| Employee Benefits               | percent/wages              | 12.00%                       |
| Labor Downtime                  | percent                    | 25.00%                       |
| Financial Rates:                |                            |                              |
| Operating Capital Interest Rate | percent                    | 5.50%                        |
| Land Interest Rate              | percent                    | 5.00%                        |
| Equipment Interest Rate         | percent                    | 5.50%                        |
| Real Interest Rate              | percent                    | 3.00%                        |
| Land Taxes                      | \$36.00 /acre (full value) | \$0.37                       |
| Personal Property Tax Rate      | - NR<br>- R                | \$/ \$1,000 (Assessed Value) |
|                                 |                            | \$30.42<br>\$26.57           |
| Supervision Factors             | \$/labor hour              | \$0.50                       |
| Management Rate                 | percent                    | 4.00%                        |

TABLE 3. Overhead cost information for Cibola County, Projected 2016

| Item                               |        |                        |                  |
|------------------------------------|--------|------------------------|------------------|
| Electricity (Domestic & Shop)      | \$0.00 | per month              | \$0              |
| Telephone                          | \$0.00 | per month              | \$0              |
| Accounting & Legal                 |        |                        | \$150            |
| Misc. Supplies & Hand Tools        |        |                        | \$294            |
| Pickup and Auto                    |        |                        |                  |
| miles                              | 3,125  | @                      | \$0.500 per mile |
|                                    |        |                        | \$1,563          |
| Insurance                          |        |                        |                  |
| - general liability (non-employee) |        |                        | \$0              |
| - fire/theft                       |        |                        | \$0              |
| Property Taxes                     |        |                        |                  |
| - non-planted land                 |        |                        | \$0              |
| - other than land & machinery      |        |                        | \$0              |
| Building repairs and maintenance   |        |                        | \$125            |
| Dues, fees, publications           |        |                        | \$125            |
| Farmstead Equipment                |        |                        | \$0              |
|                                    |        | Total                  | \$2,256          |
|                                    |        | Total Per Planted Acre | \$282.03         |



TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County, Projected 2016  
Harvest Dates: June 15 - September 15

| ITEM                             | PRICE      | YIELD                |   |         |             |         |            | TOTAL      |  |
|----------------------------------|------------|----------------------|---|---------|-------------|---------|------------|------------|--|
| GROSS RETURNS                    |            |                      |   |         |             |         |            |            |  |
| ALFALFA HAY                      | \$185.00   | 3.50 TONS (IN FIELD) |   |         |             |         |            | \$647.50   |  |
| GRAZING                          | \$10.00    | 1.00 ACRE            |   |         |             |         |            | \$10.00    |  |
| TOTAL                            |            |                      |   |         |             |         |            | \$657.50   |  |
| <hr/>                            |            |                      |   |         |             |         |            |            |  |
| PURCHASED INPUTS                 | PRICE      | QUANTITY             | PURCHASED INPUTS                        |         |             |         | FIXED COST | TOTAL      |  |
| WIRE                             | \$1.68     | 30 LBS               | \$50.39                                 |         |             |         |            | \$50.39    |  |
| ESTABLISHMENT: Principal         |            | 10 YEARS             |   |         |             |         | \$60.79    | \$60.79    |  |
| : Interest                       |            |                      |   |         |             |         | \$31.74    | \$31.74    |  |
| CANAL WATER                      |            | 48 AC. IN.           | \$5.00                                  |         |             |         |            | \$5.00     |  |
| SUBTOTAL                         |            |                      | \$55.39                                 |         |             |         | \$92.53    | \$147.92   |  |
| <hr/>                            |            |                      |   |         |             |         |            |            |  |
| PREHARVEST OPERATIONS            | POWER UNIT | ACCOMPLISHMENT RATE  | PURCHASED INPUTS                        | LABOR   | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL      |  |
| IRRIGATE (6X)                    |            | 3.75 HR              |   | \$28.13 |             |         |            | \$28.13    |  |
| SUBTOTAL                         |            | 3.75 HR              |   | \$28.13 | \$0.00      | \$0.00  | \$0.00     | \$28.13    |  |
| <hr/>                            |            |                      |   |         |             |         |            |            |  |
| HARVEST OPERATIONS               |            |                      |   |         |             |         |            |            |  |
| SWATHER (CUSTOM) (3X)            |            |                      | \$17.50                                 |         |             |         |            | \$17.50    |  |
| BALER (3X)                       | 40 HP      | 1.95 HR              |   | \$14.63 | \$17.50     | \$2.40  | \$163.87   | \$198.40   |  |
| SUBTOTAL                         |            | 1.95 HR              | \$17.50                                 | \$14.63 | \$17.50     | \$2.40  | \$163.87   | \$215.90   |  |
| <hr/>                            |            |                      |   |         |             |         |            |            |  |
| OVERHEAD EXPENSES                |            |                      |   |         |             |         |            |            |  |
| DOWNTIME                         |            | 0.49 HR              |   | \$3.66  |             |         |            | \$3.66     |  |
| EMPLOYEE BENEFITS                |            |                      |   | \$5.13  |             |         |            | \$5.13     |  |
| INSURANCE                        |            |                      | \$0.51                                  |         |             |         |            | \$0.51     |  |
| LAND TAXES                       |            |                      |   |         |             |         | \$0.37     | \$0.37     |  |
| SUPERVISION AND MANAGEMENT       |            |                      |   | \$29.15 |             |         |            | \$29.15    |  |
| OTHER EXPENSES                   |            |                      | \$282.03                                |         |             |         |            | \$282.03   |  |
| SUBTOTAL                         |            | 0.49 HR              | \$282.54                                | \$37.94 |             |         | \$0.37     | \$320.85   |  |
| <hr/>                            |            |                      |   |         |             |         |            |            |  |
| TOTAL OPERATING EXPENSES         |            | 6.19 HR              | \$355.44                                | \$80.69 | \$17.50     | \$2.40  | \$256.76   | \$712.79   |  |
| <hr/>                            |            |                      |   |         |             |         |            |            |  |
| NET OPERATING PROFIT             |            |                      |   |         |             |         |            | (\$55.29)  |  |
| INTEREST ON OPERATING CAPITAL    |            | \$30.81 @            | 5.50%                                   | )       |             |         |            | \$1.69     |  |
| INTEREST ON EQUIPMENT INVESTMENT |            |                      |   |         |             |         |            | \$118.94   |  |
| <hr/>                            |            |                      |   |         |             |         |            |            |  |
| RETURN TO LAND AND RISK          |            |                      |   |         |             |         |            | (\$175.93) |  |
| <hr/>                            |            |                      |   |         |             |         |            |            |  |
| BUDGET SUMMARY                   |            |                      |   |         |             |         |            |            |  |
| GROSS RETURN                     |            |                      | \$657.50                                |         |             |         |            |            |  |
| VARIABLE OPERATING EXPENSES      | \$375.34   |                      |   |         |             |         |            |            |  |
| RETURN OVER VARIABLE EXPENSES    |            | \$282.16             | (GROSS MARGIN)                          |         |             |         |            |            |  |
| FIXED EXPENSES                   | \$256.76   |                      |   |         |             |         |            |            |  |
| NET FARM INCOME                  |            | \$25.39              | (RETURN TO CAPITAL, LABOR, LAND & RISK) |         |             |         |            |            |  |
| LABOR AND MANAGEMENT COST        | \$80.69    |                      |   |         |             |         |            |            |  |
| NET OPERATING PROFIT             |            | (\$55.29)            | (RETURN TO CAPITAL, LAND & RISK)        |         |             |         |            |            |  |
| CAPITAL COSTS                    | \$120.64   |                      |   |         |             |         |            |            |  |
| RETURN TO LAND AND RISK          |            |                      | (\$175.93)                              |         |             |         |            |            |  |

TABLE 7. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County,  
 Projected 2016  
 Planting Dates: May 15 - July 1

| ITEM                            | PRICE      | QUANTITY            | PURCHASED INPUTS |         |             |         |            | TOTAL    |
|---------------------------------|------------|---------------------|------------------|---------|-------------|---------|------------|----------|
| <b>PURCHASED INPUTS</b>         |            |                     |                  |         |             |         |            |          |
| GRASS SEED                      | \$3.12     | 15 LBS              |                  | \$46.80 |             |         |            | \$46.80  |
| CANAL WATER                     |            | 18 AC. IN.          |                  | \$5.00  |             |         |            | \$5.00   |
| SUBTOTAL                        |            |                     |                  | \$51.80 |             |         |            | \$51.80  |
| <b>PREHARVEST OPERATIONS</b>    |            |                     |                  |         |             |         |            |          |
|                                 | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR   | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL    |
| PLOW                            | 40 HP      | 1.31 HR             |                  | \$9.83  | \$11.76     | \$1.82  | \$59.65    | \$83.06  |
| DISC (2X)                       | 40 HP      | 1.06 HR             |                  | \$7.95  | \$9.51      | \$1.93  | \$76.80    | \$96.20  |
| DRAG                            | 40 HP      | 0.31 HR             |                  | \$2.33  | \$2.78      | \$0.34  | \$24.22    | \$29.66  |
| DRILL                           | 40 HP      | 0.41 HR             |                  | \$3.08  | \$3.68      | \$0.80  | \$13.06    | \$20.61  |
| BORDER DISC                     | 40 HP      | 0.10 HR             |                  | \$0.75  | \$0.90      | \$0.20  | \$110.79   | \$112.64 |
| IRRIGATE (3X)                   |            | 2.25 HR             |                  | \$16.88 |             |         |            | \$16.88  |
| SUBTOTAL                        |            | 5.44 HR             |                  | \$40.80 | \$28.63     | \$5.09  | \$284.52   | \$359.04 |
| <b>OVERHEAD EXPENSES</b>        |            |                     |                  |         |             |         |            |          |
| DOWNTIME                        |            | 0.80 HR             |                  | \$5.98  |             |         |            | \$5.98   |
| EMPLOYEE BENEFITS               |            |                     |                  | \$4.90  |             |         |            | \$4.90   |
| INSURANCE                       |            |                     | \$0.49           |         |             |         |            | \$0.49   |
| LAND TAXES                      |            |                     |                  |         |             |         | \$0.37     | \$0.37   |
| SUPERVISION AND MANAGEMENT      |            |                     |                  | \$19.15 |             |         |            | \$19.15  |
| SUBTOTAL                        |            | 0.80 HR             | \$0.49           | \$30.03 |             |         | \$0.37     | \$30.89  |
| <b>TOTAL OPERATING EXPENSES</b> |            | 6.24 HR             | \$52.29          | \$70.83 | \$28.63     | \$5.09  | \$284.89   | \$441.72 |

TABLE 8. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County, Projected 2016  
Harvest Dates: Year-round

| ITEM                             | PRICE   | YIELD      |                     |                  |                |             |            | TOTAL          |                   |
|----------------------------------|---------|------------|---------------------|------------------|----------------|-------------|------------|----------------|-------------------|
| GROSS RETURNS                    |         |            |                     |                  |                |             |            |                |                   |
| PASTURE                          | \$12.00 | 5.00 AUMS  |                     |                  |                |             |            | \$60.00        |                   |
| <b>TOTAL</b>                     |         |            |                     |                  |                |             |            | <b>\$60.00</b> |                   |
| PURCHASED INPUTS                 |         | PRICE      | QUANTITY            | PURCHASED INPUTS |                |             | FIXED COST | TOTAL          |                   |
| ESTABLISHMENT: Principal         |         |            | 20 YEARS            |                  |                |             | \$22.09    | \$22.09        |                   |
| : Interest                       |         |            |                     |                  |                |             | \$5.28     | \$5.28         |                   |
| CANAL WATER                      |         |            | 30 AC. IN.          | \$5.00           |                |             |            | \$5.00         |                   |
| <b>SUBTOTAL</b>                  |         |            |                     | <b>\$5.00</b>    |                |             |            | <b>\$27.37</b> | <b>\$32.37</b>    |
| PREHARVEST OPERATIONS            |         | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR          | FUEL & LUBE | REPAIRS    | FIXED COST     | TOTAL             |
| IRRIGATE (4X)                    |         |            | 3.00 HR             |                  | \$22.50        |             |            |                | \$22.50           |
| <b>SUBTOTAL</b>                  |         |            | <b>3.00 HR</b>      |                  | <b>\$22.50</b> |             |            |                | <b>\$22.50</b>    |
| OVERHEAD EXPENSES                |         |            |                     |                  |                |             |            |                |                   |
| DOWNTIME                         |         |            | 0.00 HR             |                  | \$0.00         |             |            |                | \$0.00            |
| EMPLOYEE BENEFITS                |         |            |                     |                  | \$2.70         |             |            |                | \$2.70            |
| INSURANCE                        |         |            |                     | \$0.27           |                |             |            |                | \$0.27            |
| LAND TAXES                       |         |            |                     |                  |                |             |            | \$0.37         | \$0.37            |
| SUPERVISION AND MANAGEMENT       |         |            |                     |                  | \$3.90         |             |            |                | \$3.90            |
| OTHER EXPENSES                   |         |            |                     | \$282.03         |                |             |            |                | \$282.03          |
| <b>SUBTOTAL</b>                  |         |            | <b>0.00 HR</b>      | <b>\$282.30</b>  | <b>\$6.60</b>  |             |            | <b>\$0.37</b>  | <b>\$289.27</b>   |
| TOTAL OPERATING EXPENSES         |         |            | 3.00 HR             | \$287.30         | \$29.10        | \$0.00      | \$0.00     | \$27.73        | \$344.13          |
| NET OPERATING PROFIT             |         |            |                     |                  |                |             |            |                | (\$284.13)        |
| INTEREST ON OPERATING CAPITAL    |         |            | \$2.50 @            | 5.50%            | )              |             |            |                | \$0.14            |
| INTEREST ON EQUIPMENT INVESTMENT |         |            |                     |                  |                |             |            |                | \$0.00            |
| <b>RETURN TO LAND AND RISK</b>   |         |            |                     |                  |                |             |            |                | <b>(\$284.27)</b> |

| BUDGET SUMMARY                |          |            |   |
|-------------------------------|----------|------------|---|
| GROSS RETURN                  |          | \$60.00    |   |
| VARIABLE OPERATING EXPENSES   | \$287.30 |            |   |
| RETURN OVER VARIABLE EXPENSES |          | (\$227.30) | (GROSS MARGIN)                          |
| FIXED EXPENSES                | \$27.73  |            |   |
| NET FARM INCOME               |          | (\$255.03) | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST     | \$29.10  |            |   |
| NET OPERATING PROFIT          |          | (\$284.13) | (RETURN TO CAPITAL, LAND & RISK)        |
| CAPITAL COSTS                 | \$0.14   |            |   |
| RETURN TO LAND AND RISK       |          | (\$284.27) |   |

TABLE 9. Field corn, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County, Projected 2016  
 Planting Dates: May 25 - June 25  
 Harvest Dates: October 15 - November 20

| ITEM                             | PRICE      | YIELD               |                  |          |             |         |            | TOTAL      |
|----------------------------------|------------|---------------------|------------------|----------|-------------|---------|------------|------------|
| GROSS RETURNS                    |            |                     |                  |          |             |         |            |            |
| CORN                             | \$6.43     | 40.00 CWT           |                  |          |             |         |            | \$257.14   |
| TOTAL                            |            |                     |                  |          |             |         |            | \$257.14   |
| PURCHASED INPUTS                 |            |                     |                  |          |             |         |            |            |
|                                  | PRICE      | QUANTITY            | PURCHASED INPUTS |          |             |         | FIXED COST | TOTAL      |
| CORN SEED                        | \$3.75     | 10 000              | \$37.50          |          |             |         |            | \$37.50    |
| CANAL WATER                      |            | 30 AC. IN.          | \$5.00           |          |             |         |            | \$5.00     |
| SUBTOTAL                         |            |                     | \$42.50          |          |             |         |            | \$42.50    |
| PREHARVEST OPERATIONS            |            |                     |                  |          |             |         |            |            |
|                                  | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR    | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL      |
| FLOW                             | 40 HP      | 1.31 HR             |                  | \$9.83   | \$11.76     | \$1.82  | \$59.65    | \$83.06    |
| DISC (2X)                        | 40 HP      | 1.06 HR             |                  | \$7.95   | \$9.51      | \$1.93  | \$76.80    | \$96.20    |
| DRAG                             | 40 HP      | 0.31 HR             |                  | \$2.33   | \$2.78      | \$0.34  | \$24.22    | \$29.66    |
| HAND RIDGE                       |            | 10.00 HR            |                  | \$75.00  |             |         |            | \$75.00    |
| HAND PLANT                       |            | 5.00 HR             |                  | \$37.50  |             |         |            | \$37.50    |
| HAND HOE                         |            | 5.00 HR             |                  | \$37.50  |             |         |            | \$37.50    |
| IRRIGATE (3X)                    |            | 2.25 HR             |                  | \$16.88  |             |         |            | \$16.88    |
| SUBTOTAL                         |            | 24.93 HR            |                  | \$186.98 | \$24.06     | \$4.09  | \$160.67   | \$375.79   |
| HARVEST OPERATIONS               |            |                     |                  |          |             |         |            |            |
| HAND PICK                        |            | 25.00 HR            |                  | \$187.50 |             |         |            | \$187.50   |
| SUBTOTAL                         |            | 25.00 HR            |                  | \$187.50 | \$0.00      | \$0.00  | \$0.00     | \$187.50   |
| OVERHEAD EXPENSES                |            |                     |                  |          |             |         |            |            |
| DOWNTIME                         |            | 0.67 HR             |                  | \$5.03   |             |         |            | \$5.03     |
| EMPLOYEE BENEFITS                |            |                     |                  | \$44.94  |             |         |            | \$44.94    |
| INSURANCE                        |            |                     | \$4.49           |          |             |         |            | \$4.49     |
| LAND TAXES                       |            |                     |                  |          |             |         | \$0.37     | \$0.37     |
| SUPERVISION AND MANAGEMENT       |            |                     |                  | \$22.22  |             |         |            | \$22.22    |
| OTHER EXPENSES                   |            |                     | \$282.03         |          |             |         |            | \$282.03   |
| SUBTOTAL                         |            | 0.67 HR             | \$286.52         | \$72.18  |             |         | \$0.37     | \$359.07   |
| TOTAL OPERATING EXPENSES         |            | 50.60 HR            | \$329.02         | \$446.66 | \$24.06     | \$4.09  | \$161.04   | \$964.86   |
| NET OPERATING PROFIT             |            |                     |                  |          |             |         |            | (\$707.72) |
| INTEREST ON OPERATING CAPITAL    |            | \$28.29 @           | 5.50%            | )        |             |         |            | \$1.56     |
| INTEREST ON EQUIPMENT INVESTMENT |            |                     |                  |          |             |         |            | \$122.50   |
| RETURN TO LAND AND RISK          |            |                     |                  |          |             |         |            | (\$831.78) |

BUDGET SUMMARY

|                               |            |   |  |
|-------------------------------|------------|---|--|
| GROSS RETURN                  | \$257.14   |   |  |
| VARIABLE OPERATING EXPENSES   | \$357.17   |   |  |
| RETURN OVER VARIABLE EXPENSES | (\$100.03) | (GROSS MARGIN)                          |  |
| FIXED EXPENSES                | \$161.04   |   |  |
| NET FARM INCOME               | (\$261.06) | (RETURN TO CAPITAL, LABOR, LAND & RISK) |  |
| LABOR AND MANAGEMENT COST     | \$446.66   |   |  |
| NET OPERATING PROFIT          | (\$707.72) | (RETURN TO CAPITAL, LAND & RISK)        |  |
| CAPITAL COSTS                 | \$124.05   |   |  |
| RETURN TO LAND AND RISK       | (\$831.78) |   |  |

TABLE 10. Summary of per acre costs and returns, 10 acre part-time farm, Cibola County,  
Projected 2016

|                                  | ALFALFA<br>ESTABLISHMENT | ALFALFA<br>HAY | PERMANENT<br>PASTURE<br>ESTABLISHMENT | PERMANENT<br>PASTURE | FIELD<br>CORN |
|----------------------------------|--------------------------|----------------|---------------------------------------|----------------------|---------------|
|                                  | TONS                     | TONS           |                                       | AUMS                 | CWT           |
| PRIMARY YIELD                    | 2.00                     | 3.50           |                                       | 5.00                 | 40.00         |
| PRIMARY PRICE                    | \$165.00                 | \$185.00       |                                       | \$12.00              | \$6.43        |
| GOVERNMENT PAYMENTS              | \$0.00                   | \$0.00         |                                       | \$0.00               | \$0.00        |
| SECOND INCOME                    | \$0.00                   | \$10.00        |                                       | \$0.00               | \$0.00        |
| GROSS RETURN                     | \$330.00                 | \$657.50       |                                       | \$60.00              | \$257.14      |
| CASH OPERATING EXPENSES          |                          |                |                                       |                      |               |
| SEED                             | \$140.00                 |                | \$46.80                               |                      | \$37.50       |
| FERTILIZER                       |                          |                |                                       |                      |               |
| CHEMICALS                        |                          |                |                                       |                      |               |
| CROP INSURANCE                   |                          |                |                                       |                      |               |
| OTHER PURCHASED INPUTS           | \$28.80                  | \$50.39        |                                       |                      |               |
| CANAL WATER                      | \$5.00                   | \$5.00         | \$5.00                                | \$5.00               | \$5.00        |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | \$37.25                  | \$17.50        | \$28.63                               | \$0.00               | \$24.06       |
| FUEL-IRRIGATION                  |                          |                |                                       |                      |               |
| REPAIRS                          | \$6.22                   | \$2.40         | \$5.09                                | \$0.00               | \$4.09        |
| CUSTOM CHARGES                   | \$17.50                  | \$17.50        |                                       |                      |               |
| LAND TAXES                       | \$0.37                   | \$0.37         | \$0.37                                | \$0.37               | \$0.37        |
| OTHER EXPENSES                   | \$0.58                   | \$282.54       | \$0.49                                | \$282.30             | \$286.52      |
| TOTAL CASH EXPENSES              | \$235.71                 | \$375.71       | \$86.37                               | \$287.67             | \$357.53      |
| RETURN OVER CASH EXPENSES        | \$94.29                  | \$281.79       | (\$86.37)                             | (\$227.67)           | (\$100.39)    |
| FIXED EXPENSES                   | \$363.36                 | \$256.40       | \$284.52                              | \$27.37              | \$160.67      |
| TOTAL EXPENSES                   | \$599.07                 | \$632.11       | \$370.89                              | \$315.03             | \$518.21      |
| NET FARM INCOME                  | (\$269.07)               | \$25.39        | (\$370.89)                            | (\$255.03)           | (\$261.06)    |
| LABOR AND MANAGEMENT COSTS       | \$95.87                  | \$80.69        | \$70.83                               | \$29.10              | \$446.66      |
| NET OPERATING PROFIT             | (\$364.94)               | (\$55.29)      | (\$441.72)                            | (\$284.13)           | (\$707.72)    |
| CAPITAL COSTS                    |                          |                |                                       |                      |               |
| INTEREST ON OPERATING CAPITAL    | \$5.40                   | \$1.69         |                                       | \$0.14               | \$1.56        |
| INTEREST ON EQUIPMENT INVESTMENT | \$237.54                 | \$118.94       |                                       | \$0.00               | \$122.50      |
| TOTAL CAPITAL COSTS              | \$242.94                 | \$120.64       | \$0.00                                | \$0.14               | \$124.05      |
| RETURN TO LAND AND RISK          | (\$607.88)               | (\$175.93)     | (\$441.72)                            | (\$284.27)           | (\$831.78)    |

TABLE 11. Whole farm summary, Cibola County,  
Projected 2016

|                                  |         |           |
|----------------------------------|---------|-----------|
| GROSS RETURNS                    |         |           |
| ALFALFA HAY                      | 4 ACRES |           |
| CROP                             |         | \$2,590   |
| GRAZING                          |         | \$40      |
| PASTURE                          | 4 ACRES |           |
| CROP                             |         | \$240     |
| FIELD CORN                       | 1 ACRES |           |
| CROP                             |         | \$257     |
| GROSS RETURN                     |         | \$3,127   |
| CASH OPERATING EXPENSES          |         |           |
| SEED                             |         | \$131     |
| FERTILIZER                       |         | \$0       |
| CHEMICALS                        |         | \$0       |
| CROP INSURANCE                   |         | \$0       |
| OTHER PURCHASED INPUTS           |         | \$216     |
| CANAL WATER                      |         | \$50      |
| FUEL, OIL & LUBRICANTS-EQUIPMENT |         | \$127     |
| FUEL-IRRIGATION                  |         | \$0       |
| REPAIRS                          |         | \$19      |
| CUSTOM CHARGES                   |         | \$79      |
| LAND TAXES                       |         | \$4       |
| OTHER EXPENSES                   |         | \$2,546   |
| TOTAL CASH EXPENSES              |         | \$3,172   |
| RETURN OVER CASH EXPENSES        |         | (\$45)    |
| FIXED EXPENSES                   |         | \$1,288   |
| TOTAL EXPENSES                   |         | \$4,460   |
| NET FARM INCOME                  |         | (\$1,333) |
| LABOR AND MANAGEMENT COSTS       |         | \$969     |
| NET OPERATING PROFIT             |         | (\$2,302) |
| CAPITAL COSTS                    |         |           |
| INTEREST ON OPERATING CAPITAL    |         | \$12      |
| INTEREST ON EQUIPMENT INVESTMENT |         | \$717     |
| TOTAL CAPITAL COSTS              |         | \$729     |
| RETURN TO LAND AND RISK          |         | (\$3,031) |

| LAND VALUE    | RETURN<br>TO RISK* | RETURN ON<br>INVESTMENT** |
|---------------|--------------------|---------------------------|
| \$1,000 /ACRE | (\$3,331)          | -9.28%                    |
| \$2,500 /ACRE | (\$3,781)          | -5.78%                    |
| \$4,000 /ACRE | (\$4,231)          | -4.20%                    |
| \$5,500 /ACRE | (\$4,681)          | -3.30%                    |
| \$7,000 /ACRE | (\$5,131)          | -2.71%                    |
| \$8,500 /ACRE | (\$5,581)          | -2.31%                    |

\* 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)