TABLE 1. Acreage Summary, Eddy County, Artesia Lake Arthur Area, Actual 2024

BUDGET AREA..... ARTESIA-LAKE ARTHUR AREA
FARM SIZE..... 500.00 ACRES
IRRIGATION TYPE..... FLOOD
NUMBER OF CROPS..... 6

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE AC.IN. PER AC.	WATER USE TOTAL AC.IN.
ALFALFA ESTABLISHMENT	52.00 *	8	416
ALFALFA	260.00	50	13,000
BARLEY	17.00	28	476
ARP	0.00		
FLEX IN PICKER COTTON	3.00	30	90
OAT HAY	20.00	28	560
PICKER COTTON	68.00	30	2,040
ARP	0.00		
FLEX IN PICKER COTTON	12.00	30	360
STRIPPER COTTON	68.00	30	2,040
ARP	0.00		
FLEX IN PICKER COTTON	12.00	30	360
RED CHILE	40.00	48	1,920
TOTAL	500.00		21,262
ACRE FEET PER ACRE OF WATER RIGHTS			3.54

*DOUBLE-CROPPED

TABLE 2. Basic cost information for the Artesia-Lake Arthur area, Actual 2023

Item			
Labor Wage Rate:			
Equipment operators	$/hour		$20.00
General & Irrigators	$/hour		$16.77
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)	$/pound		$0.35
Phosphate ($P_2 0_5$)	$/pound		$0.48
Seed:			
Alfalfa	$/pound		$4.12
Cotton			
picker	$/pound		$8.45
stripper	$/pound		$8.45
Barley	$/pound		$0.38
Oats	$/pound		$0.70
Red Chile	$/pound		$125.00
Wire:	$/lb.		$0.03
Natural gas	$/MCF		$4.05
(service charge)	$/month		$10.00
Diesel fuel	$/gallon		$3.98
Gasoline	$/gallon		$3.12
Electricity	cents/KwHr		12.08
LP Gas	$/gallon		$2.55
Employee Liability Insurance	$/$1000 wages		$0.72
Employee Benefits	percent/wages		18.00%
Labor Downtime	percent		25.00%
Financial Rates:			
Operating Capital Interest Rate	percent		9.25%
Land Interest Rate	percent		8.15%
Equipment Interest Rate	percent		7.15%
Real Interest Rate	percent		1.82%
Land Taxes	$250.00 /acre (full value)		$1.79
Personal Property Tax Rat - NR	$/$1,000	(Assessed	$21.42
- R		Value)	$19.14
Supervision Factors			
Field Crop-Irrigation	$/labor hour		$0.06
Field Crop-Equipment & General	$/labor hour		$0.03
Vegetable Crop-Irrigation	$/labor hour		$0.00
Vegetable Crop-Equip. & General	$/labor hour		$0.00
Management Rate			
Field Crops	percent/GR		7.00%
Vegetable Crops	percent/TOE		10.00%

TABLE 3. Overhead cost information for the Artesia-Lake Arthur area, Actual 2024

Item					
Electricity (Domestic & Shop)			$307.20	per month	$3,686
Telephone			$224.00	per month	$2,688
Accounting & Legal					$3,386
Misc. Supplies & Hand Tools					$4,326
Pickup and Auto					
miles	25,600	@	$0.700	per mile	$17,920
Insurance					
- general liability (non-employee)					$1,907
- fire/theft					$2,874
Property Taxes					
- non-planted land					$0
- other than land & machinery					$0
Building repairs and maintenance					$0
Dues, fees, publications					$1,446
Farmstead Equipment					$435
				Total	$38,669
			Total Per Planted Acre		$77.34

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area,
Actual 2024
Planting dates: September 1 - September 30

ITEM	PRICE	QUANTITY	PURCHASED INPUTS	TOTAL
PURCHASED INPUTS				
SEED	$4.12	20 LBS	$82.40	$82.40
HERBICIDE	$32.40	1 ACRE	$32.40	$32.40
PUMP WATER		8 AC. IN.		
SUBTOTAL			$114.80	$114.80

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.48 HR		$9.60	$15.76	$3.89	$4.95	$34.21
DISC (2X)	145 HP	0.34 HR		$6.80	$11.16	$2.29	$3.18	$23.43
PLANE (3X)	145 HP	0.57 HR		$11.40	$18.71	$2.32	$10.08	$42.51
DISC	145 HP	0.17 HR		$3.40	$5.58	$1.15	$1.59	$11.72
FLOAT (2X)	70 HP	0.32 HR		$6.40	$7.76	$0.29	$1.41	$15.86
DRILL (2X)	65 HP	0.42 HR		$8.40	$6.37	$0.97	$7.17	$22.91
IRRIGATE (2X)		1.00 HR		$16.77	$7.10	$1.45	$2.32	$27.65
SUBTOTAL		3.30 HR		$62.77	$72.45	$12.37	$30.70	$178.29
OVERHEAD EXPENSES								
DOWNTIME		0.46 HR		$9.10				$9.10
EMPLOYEE BENEFITS				$11.30				$11.30
INSURANCE			$0.05					$0.05
SUPERVISION AND MANAGEMENT				$20.63				$20.63
SUBTOTAL		0.46 HR	$0.05	$41.03				$41.07
TOTAL OPERATING EXPENSES		3.76 HR	$114.84	$103.80	$72.45	$12.37	$30.70	$334.15

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area,
Actual 2024
Harvesting dates: May 5 - November 1

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	$250.00	6.10 TONS (STACKED)	$1,525.00
GRAZING	$40.00		$40.00
TOTAL			$1,565.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
INSECTICIDE (CUSTOM)	$25.02	2 X/ACRE	$50.05		$50.05
HERBICIDE (CUSTOM)	$36.36	1 ACRE	$36.36		$36.36
INSECT SCOUTING	$5.25	1 ACRE	$5.25		$5.25
FERTILIZER (5-26-30)	$0.21	200 LBS	$42.00		$42.00
WIRE	$0.03	52 LBS	$1.36		$1.36
DRYING AGENT (AGRI-DRY)	$8.26	1 /TON	$50.36		$50.36
ESTABLISHMENT: Principal		5 YEARS		$66.83	$66.83
Interest				$17.83	$17.83
PUMP WATER*		50 AC. IN.			
SUBTOTAL			$185.38	$84.66	$270.05

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (7X)		3.50 HR		$58.70	$44.40	$9.05	$14.53	$126.68
SUBTOTAL		3.50 HR		$58.70	$44.40	$9.05	$14.53	$126.68
HARVEST OPERATIONS								
SWATHER (5X)	16 FT SP	0.55 HR		$11.00	$8.20	$0.76	$11.45	$31.40
RAKE (5X)	40 HP	0.25 HR		$5.00	$2.92	$0.49	$2.76	$11.17
BALER (5X)	96 HP	1.25 HR		$25.00	$30.30	$1.32	$3.41	$60.02
BALE WAGON (5X)	SP	1.00 HR		$20.00	$24.19	$16.75	$7.09	$68.03
SUBTOTAL		3.05 HR		$61.00	$65.59	$19.32	$24.72	$170.63
OVERHEAD EXPENSES								
DOWNTIME		0.70 HR		$14.00				$14.00
EMPLOYEE BENEFITS				$21.55				$21.55
INSURANCE			$0.09					$0.09
LAND TAXES							$1.79	$1.79
SUPERVISION AND MANAGEMENT				$109.84				$109.84
OTHER EXPENSES			$77.34					$77.34
SUBTOTAL		0.70 HR	$77.42	$145.39			$1.79	$224.60
TOTAL OPERATING EXPENSES		7.25 HR	$262.81	$265.08	$110.00	$28.37	$125.69	$791.95
NET OPERATING PROFIT								$773.05
INTEREST ON OPERATING CAPITAL		($113.13 @	9.25%)					$10.46
INTEREST ON EQUIPMENT INVESTMENT								$19.91
RETURN TO LAND AND RISK								$742.68

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

BUDGET SUMMARY

GROSS RETURN		$1,565.00	
VARIABLE OPERATING EXPENSES	$401.18		
RETURN OVER VARIABLE EXPENSES		$1,163.82	(GROSS MARGIN)
FIXED EXPENSES	$125.69		
NET FARM INCOME		$1,038.13	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	$265.08		
NET OPERATING PROFIT		$773.05	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	$30.37		
RETURN TO LAND AND RISK		$742.68	

TABLE 8. Barley, flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area,
Actual 2024
Planting dates: August 20 - September 30
Harvesting dates: June 15 - July 1

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
BARLEY	$15.39	35.00 CWT	$538.65
DIRECT PAYMENT	$0.00	35.00 CWT	$0.00
COUNTER CYCLICAL PAYMENT	$0.00		$0.00
GRAZING	$40.00		$40.00
TOTAL			$578.65

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	TOTAL
SEED	$0.45	110 LBS	$49.50	$49.50
NITROGEN (N)	$0.35	150 LBS	$52.50	$52.50
INSECTICIDE (CUSTOM)	$20.01	1 ACRE	$20.01	$20.01
PUMP WATER*		28 AC. IN.		
CROP INSURANCE	$2.94		$2.94	$2.94
SUBTOTAL			$124.95	$124.95

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.48 HR		$9.60	$15.76	$3.89	$4.95	$34.21
DISC	145 HP	0.17 HR		$3.40	$5.58	$1.15	$1.59	$11.72
FLOAT	70 HP	0.16 HR		$3.20	$3.88	$0.15	$0.70	$7.93
FERTILIZE	DEALER APPLIED							
DRILL	70 HP	0.21 HR		$4.20	$5.09	$0.41	$3.88	$13.58
IRRIGATE (4X)		2.00 HR		$33.54	$24.87	$5.07	$8.13	$71.61
SUBTOTAL		3.02 HR		$53.94	$55.17	$10.67	$19.27	$139.05
HARVEST OPERATIONS								
COMBINE (CUSTOM)			$17.91					$17.91
HAUL (CUSTOM)			$7.00					$7.00
SUBTOTAL			$24.91					$24.91
OVERHEAD EXPENSES								
DOWNTIME		0.22 HR		$4.30				$4.30
EMPLOYEE BENEFITS				$9.71				$9.71
INSURANCE			$0.04					$0.04
LAND TAXES							$1.79	$1.79
SUPERVISION AND MANAGEMENT				$40.65				$40.65
OTHER EXPENSES			$77.34					$77.34
SUBTOTAL		0.22 HR	$77.38	$54.66			$1.79	$133.82
TOTAL OPERATING EXPENSES		3.24 HR	$227.23	$108.60	$55.17	$10.67	$21.05	$422.72
NET OPERATING PROFIT								$155.93
INTEREST ON OPERATING CAPITAL		($81.01 @	9.25%)					$7.49
INTEREST ON EQUIPMENT INVESTMENT								$7.90
RETURN TO LAND AND RISK								$140.54

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

BUDGET SUMMARY

GROSS RETURN		$578.65	
VARIABLE OPERATING EXPENSES	$293.08		
RETURN OVER VARIABLE EXPENSES		$285.57	(GROSS MARGIN)
FIXED EXPENSES	$21.05		
NET FARM INCOME		$264.52	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	$108.60		
NET OPERATING PROFIT		$155.93	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	$15.39		
RETURN TO LAND AND RISK		$140.54	

TABLE 9. Oat hay, flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Actual 2024

Planting dates: February 1 - February 28
Harvesting dates: June 1 - June 30

ITEM	PRICE	YIELD		TOTAL
GROSS RETURNS				
OAT HAY	$185.00	3.50	TONS (STACKED)	$647.50
TOTAL				$647.50

PURCHASED INPUTS	PRICE	QUANTITY		PURCHASED INPUTS	TOTAL
SEED	$0.70	100	LBS	$70.00	$70.00
FERTILIZER (16-20-0)	$0.17	150	LBS	$25.50	$25.50
PUMP WATER*		28	AC. IN.		
SUBTOTAL				$95.50	$95.50

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.48	HR		$9.60	$15.76	$3.89	$4.95	$34.21
DISC	145 HP	0.34	HR		$6.80	$11.16	$2.29	$3.18	$23.43
FLOAT	70 HP	0.16	HR		$3.20	$3.88	$0.15	$0.70	$7.93
FERTILIZE (CUSTOM)				$0.00					$0.00
DRILL	70 HP	0.21	HR		$4.20	$5.09	$0.41	$3.88	$13.58
IRRIGATE (4X)		2.00	HR		$33.54	$24.87	$5.07	$8.13	$71.61
SUBTOTAL		3.19	HR		$57.34	$60.76	$11.81	$20.85	$150.76
HARVEST OPERATIONS									
SWATHER	16 FT	0.11	HR		$2.20	$1.64	$0.15	$2.29	$6.28
BALER	126 HP	0.25	HR		$5.00	$8.21	$1.03	$2.00	$16.23
BALE WAGON	S. P.	0.20	HR		$4.00	$4.84	$3.35	$1.42	$13.61
SUBTOTAL		0.56	HR		$11.20	$14.68	$4.53	$5.71	$36.12
OVERHEAD EXPENSES									
DOWNTIME		0.40	HR		$7.95				$7.95
EMPLOYEE BENEFITS					$12.34				$12.34
INSURANCE				$0.05					$0.05
LAND TAXES								$1.79	$1.79
SUPERVISION AND MANAGEMENT					$45.49				$45.49
OTHER EXPENSES				$77.34					$77.34
SUBTOTAL		0.40	HR	$77.39	$65.78			$1.79	$144.95
TOTAL OPERATING EXPENSES		4.15	HR	$172.89	$134.32	$75.44	$16.35	$28.35	$427.34
NET OPERATING PROFIT									$220.16
INTEREST ON OPERATING CAPITAL		($67.49	@	9.25%)					$6.24
INTEREST ON EQUIPMENT INVESTMENT									$13.15
RETURN TO LAND AND RISK									$200.77

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

BUDGET SUMMARY

GROSS RETURN		$647.50	
VARIABLE OPERATING EXPENSES	$264.67		
RETURN OVER VARIABLE EXPENSES		$382.83	(GROSS MARGIN)
FIXED EXPENSES	$28.35		
NET FARM INCOME		$354.48	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	$134.32		
NET OPERATING PROFIT		$220.16	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	$19.39		
RETURN TO LAND AND RISK		$200.77	

TABLE 10. Upland cotton (picker), flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, 2002.
Planting dates: April 15 - May 15
Harvesting dates: October 15 - January 15

ITEM	PRICE	YIELD		TOTAL
GROSS RETURNS				
COTTON LINT	$0.700	1,328	LBS	$929.60
COTTON SEED	$0.075	2,125	LBS	$159.36
PROGRAM PAYMENT	$0.000	1,328	LBS	$0.00
PLC PAYMENT	$0.335	1,328	LBS	$444.35
TOTAL				$1,533.31

PURCHASED INPUTS	PRICE	QUANTITY		PURCHASED INPUTS	TOTAL
SEED	$8.45	15	LBS	$126.75	$126.75
FOLIAR FERTILIZER	$4.80	1	X/ACRE	$4.80	$4.80
INSECT SCOUTING	$5.25	1	ACRE	$5.25	$5.25
HERBICIDE (CUSTOM)	$80.91	1	X/ACRE	$80.91	$80.91
INSECTICIDE (CUSTOM)	$31.56	3	X/ACRE	$31.56	$31.56
CROP INSURANCE			FCIC	$0.53	$0.53
PUMP WATER*		30	AC. IN.		
SUBTOTAL				$249.80	$249.80

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17	HR		$3.40	$5.58	$1.15	$1.59	$11.72
PLOW	145 HP	0.48	HR		$9.60	$15.76	$3.89	$4.95	$34.21
DISC (2X)	145 HP	0.34	HR		$6.80	$11.16	$2.29	$3.18	$23.43
FLOAT	145 HP	0.16	HR		$3.20	$5.25	$0.64	$1.32	$10.41
LISTER	145 HP	0.18	HR		$3.60	$5.91	$1.07	$2.36	$12.94
PRE-IRRIGATE		0.75	HR		$12.58	$6.66	$1.36	$2.18	$22.77
CULTIVATOR	65 HP	0.21	HR		$4.20	$3.19	$0.47	$1.14	$9.00
PLANTER	70 HP	0.26	HR		$5.20	$6.30	$0.66	$4.28	$16.44
SLED	70 HP	0.15	HR		$3.00	$3.64	$0.18	$0.79	$7.60
CULTIVATOR (3X)	65 HP	0.63	HR		$12.60	$9.56	$1.42	$3.42	$26.99
HAND HOE (CUSTOM)				$20.00					$20.00
IRRIGATE (3X)		1.50	HR		$25.16	$19.98	$4.07	$6.54	$55.75
SUBTOTAL		4.83	HR	$20.00	$89.33	$92.99	$17.20	$31.74	$251.26
HARVEST OPERATIONS									
COTTON PICKER (2X)	2-ROW	0.74	HR		$14.80	$17.81	$11.56	$144.32	$188.49
HAUL (2X)	65 HP	1.00	HR		$20.00	$15.17	$1.28	$5.27	$41.72
GIN COTTON (CUSTOM)				$197.87					$197.87
SUBTOTAL		1.74	HR	$197.87	$34.80	$32.98	$12.83	$149.59	$428.08
POSTHARVEST OPERATIONS									
SHREDDER	70 HP	0.14	HR		$2.80	$3.39	$0.18	$2.16	$8.54
SUBTOTAL		0.14	HR		$2.80	$3.39	$0.18	$2.16	$8.54
OVERHEAD EXPENSES									
DOWNTIME		0.95	HR		$18.95				$18.95
EMPLOYEE BENEFITS					$22.85				$22.85
INSURANCE				$0.09					$0.09
LAND TAXES								$1.79	$1.79
SUPERVISION AND MANAGEMENT					$107.57				$107.57
OTHER EXPENSES				$77.34					$77.34
SUBTOTAL		0.95	HR	$77.43	$149.37			$1.79	$228.59
TOTAL OPERATING EXPENSES		7.66	HR	$545.10	$276.31	$129.36	$30.21	$185.28	$1,166.26
NET OPERATING PROFIT									$367.05
INTEREST ON OPERATING CAPITAL		($157.16	@	9.25%)					$14.54
INTEREST ON EQUIPMENT INVESTMENT									$93.75
RETURN TO LAND AND RISK									$258.76

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

BUDGET SUMMARY

GROSS RETURN		$1,533.31	
VARIABLE OPERATING EXPENSES	$704.68		
RETURN OVER VARIABLE EXPENSES		$828.63	(GROSS MARGIN)
FIXED EXPENSES	$185.28		
NET FARM INCOME		$643.35	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	$276.31		
NET OPERATING PROFIT		$367.05	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	$108.29		
RETURN TO LAND AND RISK		$258.76	

TABLE 11. Upland cotton (stripper), flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Actual 2024
Planting dates: April 15 - May 15
Harvesting dates: October 15 - January 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
COTTON LINT	$0.700	1,228 LBS	$859.60
COTTON SEED	$0.075	1,965 LBS	$147.36
PROGRAM PAYMENT	$0.000	1,228 LBS	$0.00
PLC PAYMENT	$0.335	1,228 LBS	$410.89
TOTAL			$1,417.85

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	TOTAL
SEED	$8.45	20 LBS	$169.00	$169.00
FOLIAR FERTILIZER	$4.80	1 X/ACRE	$4.80	$4.80
INSECT SCOUTING	$5.25	1 ACRE	$5.25	$5.25
HERBICIDE (CUSTOM)	$45.34	1 X/ACRE	$45.34	$45.34
INSECTICIDE (CUSTOM)	$33.18	3 X/ACRE	$33.18	$33.18
CROP INSURANCE		FCIC	$0.74	$0.74
PUMP WATER*		30 AC. IN.		
CROP INSURANCE	$0.00		$0.00	$0.00
SUBTOTAL			$258.30	$258.30

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		$3.40	$5.58	$1.15	$1.59	$11.72
PLOW	145 HP	0.48 HR		$9.60	$15.76	$3.89	$4.95	$34.21
DISC (2X)	145 HP	0.34 HR		$6.80	$11.16	$2.29	$3.18	$23.43
FLOAT	145 HP	0.16 HR		$3.20	$5.25	$0.64	$1.32	$10.41
LIST	145 HP	0.18 HR		$3.60	$5.91	$1.07	$2.36	$12.94
PRE-IRRIGATE		0.75 HR		$12.58	$6.66	$1.36	$2.18	$22.77
CULTIVATOR	65 HP	0.21 HR		$4.20	$3.19	$0.47	$1.14	$9.00
PLANTER	70 HP	0.26 HR		$5.20	$6.30	$0.66	$4.28	$16.44
SLED	70 HP	0.15 HR		$3.00	$3.64	$0.18	$0.79	$7.60
CULTIVATOR (3X)	65 HP	0.63 HR		$12.60	$9.56	$1.42	$3.42	$26.99
HAND HOE (CUSTOM)			$20.00					$20.00
IRRIGATE (3X)		1.50 HR		$25.16	$19.98	$4.07	$6.54	$55.75
SUBTOTAL		4.83 HR	$20.00	$89.33	$92.99	$17.20	$31.74	$251.26
HARVEST OPERATIONS								
COTTON STRIPPER	70 HP	0.62 HR		$12.40	$15.03	$3.46	$62.35	$93.23
HAUL	65 HP	0.75 HR		$15.00	$11.38	$0.96	$3.95	$31.29
GIN COTTON (CUSTOM)			$236.64					$236.64
SUBTOTAL		1.37 HR	$236.64	$27.40	$26.40	$4.42	$66.30	$361.16
POSTHARVEST OPERATIONS								
SHREDDER	70 HP	0.14 HR		$0.56	$3.39	$0.18	$2.16	$6.30
SUBTOTAL		0.14 HR		$0.56	$3.39	$0.18	$2.16	$6.30
OVERHEAD EXPENSES								
DOWNTIME		0.89 HR		$17.85				$17.85
EMPLOYEE BENEFITS				$21.11				$21.11
INSURANCE			$0.08					$0.08
LAND TAXES							$1.79	$1.79
SUPERVISION AND MANAGEMENT				$99.44				$99.44
OTHER EXPENSES			$77.34					$77.34
SUBTOTAL		0.89 HR	$77.42	$138.40			$1.79	$217.61
TOTAL OPERATING EXPENSES		7.23 HR	$592.36	$255.69	$122.78	$21.80	$101.99	$1,094.63
NET OPERATING PROFIT								$323.22
INTEREST ON OPERATING CAPITAL		($160.16 @	9.25%)					$14.81
INTEREST ON EQUIPMENT INVESTMENT								$52.30
RETURN TO LAND AND RISK								$256.11

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

BUDGET SUMMARY

GROSS RETURN		$1,417.85	
VARIABLE OPERATING EXPENSES	$736.94		
RETURN OVER VARIABLE EXPENSES		$680.91	(GROSS MARGIN)
FIXED EXPENSES	$101.99		
NET FARM INCOME		$578.92	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	$255.69		
NET OPERATING PROFIT		$323.22	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	$67.12		
RETURN TO LAND AND RISK		$256.11	

TABLE 12. Red chile, flood-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Actual 2024
Planting dates: April 1 - April 15
Harvesting dates: September 1 - October 30

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
RED CHILE	$1.00	3,200 LBS	$3,200.00
TOTAL			$3,200.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	TOTAL
SEED	$125.00	8 LBS	$1,000.00	$1,000.00
NITROGEN (N)	$0.35	120 LBS	$42.00	$42.00
PHOSPHATE (P205)	$0.48	70 LBS	$33.60	$33.60
HERBICIDE (CUSTOM)	$34.59	1 X/ACRE	$34.59	$34.59
INSECTICIDE (CUSTOM)	$40.88	3 X/ACRE	$40.88	$40.88
CROP INSURANCE		400 DOLLARS	$20.00	$20.00
NOVA CHEMICAL APPLICATION	$4.30	0 AI OZ PER ACRE	$0.00	$0.00
PUMP WATER*		48 AC. IN.		
SUBTOTAL			$1,171.07	$1,171.07

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.48 HR		$9.60	$15.76	$3.89	$4.95	$34.21
DISC (2X)	145 HP	0.34 HR		$6.80	$11.16	$2.29	$3.18	$23.43
PLANE	145 HP	0.16 HR		$3.20	$5.25	$0.65	$2.83	$11.93
FERTILIZE	DEALER APPLIED							
LIST	145 HP	0.18 HR		$3.60	$5.91	$1.07	$2.36	$12.94
PRE-IRRIGATE		0.75 HR		$12.58	$5.33	$1.09	$1.74	$20.74
CULTIVATOR	65 HP	0.21 HR		$4.20	$3.19	$0.47	$1.14	$9.00
PLANTER	70 HP	0.26 HR		$5.20	$6.30	$0.66	$4.28	$16.44
CULTIVATOR (5X)	65 HP	1.05 HR		$21.00	$15.93	$2.36	$5.70	$44.99
THIN (CUSTOM)			$45.00					$45.00
IRRIGATE (7X)		3.50 HR		$58.70	$37.30	$7.60	$12.20	$115.80
HAND HOE (CUSTOM)			$20.00					$20.00
CHEMICAL APPLICATION (CUSTOM)			$0.00					$0.00
SUBTOTAL		6.93 HR	$65.00	$124.87	$106.13	$20.09	$38.38	$354.47
HARVEST OPERATIONS								
HAND PICK (CUSTOM)			$640.00					$640.00
FIELD HAUL	145 HP	0.90 HR		$18.00	$29.55	$3.59	$8.14	$59.28
HAUL (CUSTOM)			$96.00					$96.00
SUBTOTAL		0.90 HR	$736.00	$18.00	$29.55	$3.59	$8.14	$795.28
POSTHARVEST OPERATIONS								
SHREDDER	70 HP	0.14 HR		$2.80	$3.39	$0.18	$2.16	$8.54
SUBTOTAL		0.14 HR		$2.80	$3.39	$0.18	$2.16	$8.54
OVERHEAD EXPENSES								
DOWNTIME		0.93 HR		$18.60				$18.60
EMPLOYEE BENEFITS				$26.22				$26.22
INSURANCE			$0.10					$0.10
LAND TAXES							$1.79	$1.79
SUPERVISION AND MANAGEMENT				$224.36				$224.36
OTHER EXPENSES			$77.34					$77.34
SUBTOTAL		0.93 HR	$77.44	$269.18			$1.79	$348.40
TOTAL OPERATING EXPENSES		8.90 HR	$2,049.51	$414.85	$139.07	$23.86	$50.47	$2,677.77
NET OPERATING PROFIT								$522.23
INTEREST ON OPERATING CAPITAL		($620.74 @	9.25%)					$57.42
INTEREST ON EQUIPMENT INVESTMENT								$24.18
RETURN TO LAND AND RISK								$440.63

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

BUDGET SUMMARY

GROSS RETURN		$3,200.00	
VARIABLE OPERATING EXPENSES	########		
RETURN OVER VARIABLE EXPENSES		$987.56	(GROSS MARGIN)
FIXED EXPENSES	$50.47		
NET FARM INCOME		$937.08	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	$414.85		
NET OPERATING PROFIT		$522.23	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	$81.60		
RETURN TO LAND AND RISK		$440.63	

TABLE 13. Summary of per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Actual 2024

	ALFALFA ESTABLISHMENT	ALFALFA HAY	BARLEY	OAT HAY	PICKER COTTON	STRIPPER COTTON	RED CHILE
		TONS	CWT	TONS	LBS	LBS	LBS
PRIMARY YIELD		6.10	35.00	3.50	1328.00	1228.00	3200.00
PRIMARY PRICE		$250.00	$15.39	$185.00	$0.70	$0.70	$1.00
GOVERNMENT PAYMENTS		$0.00	$0.00	$0.00	$444.35	$410.89	$0.00
SECOND INCOME		$40.00	$40.00	$0.00	$159.36	$147.36	$0.00
GROSS RETURN		$1,565.00	$578.65	$647.50	$1,533.31	$1,417.85	$3,200.00
CASH OPERATING EXPENSES							
SEED	$82.40		$49.50	$70.00	$126.75	$169.00	$1,000.00
FERTILIZER		$42.00	$52.50	$25.50	$4.80	$4.80	$75.60
CHEMICALS	$32.40	$86.41	$20.01		$117.72	$83.76	$75.47
CROP INSURANCE			$2.94		$0.53	$0.74	$20.00
OTHER PURCHASED INPUTS		$56.97					
CANAL WATER							
FUEL, OIL & LUBRICANTS-EQUIPMENT	$65.34	$65.59	$30.31	$50.57	$102.72	$96.14	$96.44
FUEL-IRRIGATION	$7.10	$44.40	$24.87	$24.87	$26.64	$26.64	$42.63
REPAIRS	$12.37	$28.37	$10.67	$16.35	$30.21	$21.80	$23.86
CUSTOM CHARGES			$24.91		$217.87	$256.64	$801.00
LAND TAXES		$1.79	$1.79	$1.79	$1.79	$1.79	$1.79
OTHER EXPENSES	$0.05	$77.42	$77.38	$77.39	$77.43	$77.42	$77.44
TOTAL CASH EXPENSES	$199.66	$402.96	$294.86	$266.46	$706.46	$738.72	$2,214.23
RETURN OVER CASH EXPENSES	($199.66)	$1,162.04	$283.79	$381.04	$826.85	$679.13	$985.77
FIXED EXPENSES	$30.70	$123.91	$19.27	$26.56	$183.50	$100.21	$48.69
TOTAL EXPENSES	$230.36	$526.87	$314.13	$293.02	$889.96	$838.93	$2,262.92
NET FARM INCOME	($230.36)	$1,038.13	$264.52	$354.48	$643.35	$578.92	$937.08
LABOR AND MANAGEMENT COSTS	$103.80	$265.08	$108.60	$134.32	$276.31	$255.69	$414.85
NET OPERATING PROFIT	($334.15)	$773.05	$155.93	$220.16	$367.05	$323.22	$522.23
CAPITAL COSTS							
INTEREST ON OPERATING CAPITAL		$10.46	$7.49	$6.24	$14.54	$14.81	$57.42
INTEREST ON EQUIPMENT INVESTMENT		$19.91	$7.90	$13.15	$93.75	$52.30	$24.18
TOTAL CAPITAL COSTS	$0.00	$30.37	$15.39	$19.39	$108.29	$67.12	$81.60
RETURN TO LAND AND RISK	($334.15)	$742.68	$140.54	$200.77	$258.76	$256.11	$440.63

TABLE 14. Whole farm summary, Artesia-Lake Arthur area, Actual 2024

GROSS RETURNS					
ALFALFA HAY	260	ACRES			
CROP			$406,900		
BARLEY	17	ACRES			
CROP			$9,837		
PROGRAM PAYMENT			$0		
PLC PAYMENT			$0		
OAT HAY	20	ACRES			
CROP			$12,950		
PICKER COTTON	95	ACRES			
COTTON LINT			$88,312		
COTTON SEED			$15,139		
PROGRAM PAYMENT			$0		
PLC PAYMENT			$42,213		
STRIPPER COTTON	68	ACRES			
COTTON LINT			$58,453		
COTTON SEED			$10,020		
PROGRAM PAYMENT			$0		
PLC PAYMENT			$27,940		
RED CHILE	40	ACRES			
CROP			$128,000		
GROSS RETURN				$799,765	
CASH OPERATING EXPENSES					
SEED			$70,060		
FERTILIZER			$16,129		
CHEMICALS			$44,390		
CROP INSURANCE			$950		
OTHER PURCHASED INPUTS			$14,812		
CANAL WATER			$0		
FUEL, OIL & LUBRICANTS-EQUIPMENT			$42,133		
FUEL-IRRIGATION			$18,882		
REPAIRS			$13,834		
CUSTOM CHARGES			$70,613		
LAND TAXES			$893		
OTHER EXPENSES			$38,714		
TOTAL CASH EXPENSES				$331,409	
RETURN OVER CASH EXPENSES					$468,356
FIXED EXPENSES			$43,489		
TOTAL EXPENSES				$374,898	
NET FARM INCOME					$424,867
LABOR AND MANAGEMENT COSTS			$139,082		
NET OPERATING PROFIT					$285,785
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL			$7,658		
INTEREST ON EQUIPMENT INVESTMENT			$19,003		
TOTAL CAPITAL COSTS				$26,661	
RETURN TO LAND AND RISK					$259,124

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
$1,000 /ACRE	$250,044	41.35%
$2,500 /ACRE	$236,424	19.83%
$4,000 /ACRE	$222,804	13.04%
$5,500 /ACRE	$209,184	9.72%

* 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)