

TABLE 1. Acreage Summary, Roosevelt County,
Actual for 2024

| | | | |
|----------------------|----------------------------------------|--|--|
| BUDGET AREA..... | BLACKWATER DRAW AREA, ROOSEVELT COUNTY | | |
| FARM SIZE..... | 960 ACRES | | |
| IRRIGATION TYPE..... | SPRINKLER | | |
| NUMBER OF CROPS.. | 4 | | |

| ACREAGE SUMMARY: | LAND USE (ACRES) | WATER USE | |
|------------------------------------|---------------------|-------------------|-----------------|
| | | AC.IN. PER AC. | TOTAL AC.IN. |
| ALFALFA ESTABLISHMENT | 50.00 * | 9 | 450 |
| ALFALFA | 250.00 | 30 | 7,500 |
| WHEAT | 212.50 | 18 | 3,825 |
| ARP | 0.00 | | |
| FLEX IN CORN | 37.50 | 30 | 1,125 |
| CORN | 106.25 | 30 | 3,188 |
| ARP | 0.00 | | |
| FLEX IN CORN | 18.75 | 30 | 563 |
| PEANUTS | 100.00 | 22 | 2,200 |
| CORNERS, HOMESTEAD | 210.00 | | |
| TOTAL | 935.00 | | 18,850 |
| ACRE FEET PER ACRE OF WATER RIGHTS | | | 1.68 |

* DOUBLE-CROPPED

TABLE 2. Basic cost information for the Blackwater Draw area, Roosevelt County,
Actual for 2024

| Item | | |
|---------------------------------|----------------------------|-----------------------------|
| Labor Wage Rate: | | |
| Equipment operators | \$/hour | \$17.92 |
| General & Irrigators | \$/hour | \$16.77 |
| Purchased Inputs: | | |
| Fertilizer: | | |
| Nitrogen (N) | \$/pound | \$0.83 |
| Phosphate (P205) | \$/pound | \$0.45 |
| Seed: | | |
| Wheat | \$/pound | \$0.50 |
| Corn | \$/bag | \$245.00 |
| Alfalfa | \$/pound | \$4.12 |
| Peanuts | \$/pound | \$1.10 |
| Energy: | | |
| Natural gas (Gas NM) | \$/TCF | \$4.05 |
| Diesel fuel | \$/gallon | \$3.46 |
| Gasoline | \$/gallon | \$2.98 |
| Electricity (SWPS) | cents/KwHr | 12.08 |
| LP Gas | \$/gallon | \$2.29 |
| Employee Liability Insurance | \$/ \$1,000 wages | \$20.00 |
| 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 | \$89.00 /acre (full value) | \$0.60 |
| Personal Property Tax Rate | - NR - R | \$/\$1,000 (Assessed Value) |
| Supervision Factors | | |
| Field Crop-Irrigation | \$/labor hour | \$1.00 |
| Field Crop-Equipment & General | \$/labor hour | \$0.50 |
| Management Rate | percent | 7.00% |

TABLE 3. Overhead cost information for Blackwater Draw area, Roosevelt County,
Actual for 2024

| Item | | | |
|------------------------------------|----------|-----------|------------------|
| Electricity (Domestic & Shop) | \$422.40 | per month | \$5,069 |
| Telephone | \$179.20 | per month | \$2,150 |
| Accounting & Legal | | | \$2,822 |
| Misc. Supplies & Hand Tools | | | \$3,866 |
| Pickup and Auto | | | |
| miles | 32,960 | @ | \$0.670 per mile |
| Insurance | | | |
| - general liability (non-employee) | | | \$2,522 |
| - fire/theft | | | \$2,022 |
| Property Taxes | | | |
| - non-planted land | | | \$0 |
| - other than land & machinery | | | \$6,010 |
| Building repairs and maintenance | | | \$1,250 |
| Dues, fees, publications | | | \$461 |
| Farmstead Equipment | | | \$301 |
| Total | | | \$48,556 |
| Total Per Planted Acre | | | \$66.97 |

TABLE 6. Alfalfa establishment, sprinkler-irrigated, budgeted per acre costs and returns for a 960 acre farm with above average management, Roosevelt County,
Actual for 2024
Planting Dates: August 15 - August 30

| ITEM | PRICE | QUANTITY | PURCHASED INPUTS | | | | | TOTAL | |
|----------------------------|---------------|------------------------|---------------------|----------|----------------|---------|---------------|-----------------|----------|
| <u>PURCHASED INPUTS</u> | | | | | | | | | |
| SEED | \$4.50 | 20 LBS | \$90.00 | | | | | \$90.00 | |
| NITROGEN (N) | \$0.83 | 40 LBS | \$33.20 | | | | | \$33.20 | |
| PHOSPHATE (P2O5) | \$0.45 | 60 LBS | \$27.00 | | | | | \$27.00 | |
| PUMP WATER* | | 9 AC. IN. | | | | | | | |
| SUBTOTAL | | | <u>\$150.20</u> | | | | | <u>\$150.20</u> | |
| | | | | | | | | | |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| DISC | 185 HP | 0.09 HR | | \$1.61 | \$3.23 | \$1.17 | \$2.16 | \$8.17 | |
| PLOW | 185 HP | 0.29 HR | | \$5.20 | \$10.39 | \$3.46 | \$6.04 | \$25.09 | |
| FLOAT | 140 HP | 0.19 HR | | \$3.40 | \$5.14 | \$0.82 | \$2.66 | \$12.02 | |
| FERT SPREADER | 140 HP | 0.05 HR | | \$0.90 | \$1.35 | \$0.21 | \$0.41 | \$2.87 | |
| DISC | 185 HP | 0.09 HR | | \$1.61 | \$3.23 | \$1.17 | \$2.16 | \$8.17 | |
| PRE-IRRIGATE | | 0.10 HR | | \$1.68 | \$16.39 | \$3.19 | \$1.07 | \$22.34 | |
| DRILL | 140 HP | 0.10 HR | | \$1.79 | \$2.70 | \$0.60 | \$3.65 | \$8.74 | |
| IRRIGATE (2X) | | 0.20 HR | | \$3.35 | \$32.79 | \$6.39 | \$2.14 | \$44.68 | |
| SUBTOTAL | | 1.11 HR | | \$19.55 | \$75.22 | \$17.03 | \$20.29 | \$132.08 | |
| <u>OVERHEAD EXPENSES</u> | | | | | | | | | |
| DOWNTIME | | 0.19 HR | | \$3.40 | | | | | \$3.40 |
| EMPLOYEE BENEFITS | | | | \$3.52 | | | | | \$3.52 |
| INSURANCE | | | \$0.39 | | | | | \$0.39 | |
| SUPERVISION AND MANAGEMENT | | | | \$11.22 | | | | | \$11.22 |
| SUBTOTAL | | 0.19 HR | \$0.39 | \$18.14 | | | | | \$18.53 |
| TOTAL OPERATING EXPENSES | | | 1.30 HR | \$150.59 | \$37.69 | \$75.22 | \$17.03 | \$20.29 | \$300.81 |

TABLE 7. Alfalfa hay, sprinkler-irrigated, budgeted per acre costs and returns for a 960 acre farm with above average management, Blackwater Draw area, Roosevelt County, Actual for 2024
Harvest Dates: May 20 - October 15

| ITEM | PRICE | YIELD | | | | | | | TOTAL |
|----------------------------------|----------|---------------------|---------------------|------------------|----------|-------------|------------|------------|------------|
| GROSS RETURNS | | | | | | | | | |
| HAY | \$252.00 | 5.20 TONS (STACKED) | | | | | | | \$1,310.40 |
| GRAZING | \$50.00 | 1.00 ACRE | | | | | | | \$50.00 |
| TOTAL | | | | | | | | | \$1,360.40 |
| | | | | | | | | | |
| PURCHASED INPUTS | | PRICE | QUANTITY | PURCHASED INPUTS | | | FIXED COST | TOTAL | |
| PHOSPHATE (P2O5) | \$0.45 | 150 LBS | | \$67.50 | | | | \$67.50 | |
| PLASTIC TWINE | \$19.15 | 884 FT | | \$4.23 | | | | \$4.23 | |
| INSECTICIDE (CUSTOM) | \$20.01 | 1 X/ACRE | | \$20.01 | | | | \$20.01 | |
| HERBICIDE (CUSTOM) | \$16.96 | 1 X/ACRE | | \$16.96 | | | | \$16.96 | |
| ESTABLISHMENT: Principal | | 5 YEARS | | | | | \$60.16 | \$60.16 | |
| : Interest | | | | | | | \$16.48 | \$16.48 | |
| PUMP WATER* | | 30 AC. IN. | | | | | | | |
| SUBTOTAL | | | | \$108.70 | | | \$76.65 | \$185.35 | |
| | | | | | | | | | |
| PREHARVEST OPERATIONS | | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
| IRRIGATE | | | 1.00 HR | | \$16.77 | \$163.94 | \$31.95 | \$10.72 | \$223.38 |
| FERT SPREADER | 140 HP | | 0.05 HR | | \$0.90 | \$1.35 | \$0.21 | \$0.41 | \$2.87 |
| SUBTOTAL | | | 1.05 HR | | \$17.67 | \$165.29 | \$32.16 | \$11.13 | \$226.25 |
| HARVEST OPERATIONS | | | | | | | | | |
| SWATHER (5X) | S.P. | | 0.80 HR | | \$14.34 | \$10.36 | \$0.44 | \$5.87 | \$31.01 |
| RAKE (5X) | 140 HP | | 0.40 HR | | \$7.17 | \$10.82 | \$2.09 | \$4.70 | \$24.77 |
| BALER (5X) | 185 HP | | 0.35 HR | | \$6.27 | \$12.54 | \$2.50 | \$25.80 | \$47.11 |
| FRONT END LOADER (5X) | 140 HP | | 1.25 HR | | \$22.40 | \$33.80 | \$9.30 | \$12.33 | \$77.82 |
| SUBTOTAL | | | 2.80 HR | \$0.00 | \$50.18 | \$67.52 | \$14.32 | \$48.69 | \$180.72 |
| OVERHEAD EXPENSES | | | | | | | | | |
| DOWNTIME | | | 0.70 HR | | \$12.54 | | | | \$12.54 |
| EMPLOYEE BENEFITS | | | | | \$12.21 | | | | \$12.21 |
| INSURANCE | | | | \$0.35 | | | | | \$0.35 |
| LAND TAXES | | | | | | | | \$0.60 | \$0.60 |
| SUPERVISION AND MANAGEMENT | | | | | \$97.65 | | | | \$97.65 |
| OTHER EXPENSES | | | | \$66.97 | | | | | \$66.97 |
| SUBTOTAL | | | 0.70 HR | \$67.33 | \$122.41 | | | \$0.60 | \$190.34 |
| TOTAL OPERATING EXPENSES | | | 4.55 HR | \$176.03 | \$190.25 | \$232.82 | \$46.48 | \$137.07 | \$782.64 |
| NET OPERATING PROFIT | | | | | | | | | \$577.76 |
| INTEREST ON OPERATING CAPITAL | | | | | | | | | |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | | \$10.22 |
| | | | | | | | | | \$29.21 |
| RETURN TO LAND AND RISK | | | | | | | | | \$538.32 |

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

BUDGET SUMMARY

| | | | |
|-------------------------------|----------|----------------|-----------------------------------------|
| GROSS RETURN | | \$1,360.40 | |
| VARIABLE OPERATING EXPENSES | \$455.32 | | |
| RETURN OVER VARIABLE EXPENSES | \$905.08 | (GROSS MARGIN) | |
| FIXED EXPENSES | \$137.07 | | |
| NET FARM INCOME | | \$768.01 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$190.25 | | |
| NET OPERATING PROFIT | | \$577.76 | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$39.44 | | |
| RETURN TO LAND AND RISK | | \$538.32 | |

TABLE 8. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 960 acre farm with above average management, Blackwater Draw area, Roosevelt County,
Actual for 2024
Planting Dates: August 20 - September 15
Harvest Dates: June 1 - June 25

| ITEM | PRICE | YIELD | BASE | TOTAL |
|-----------------|---------|---------------|------|----------|
| GROSS RETURNS | | | | |
| WHEAT | \$5.73 | 60.00 BUSHELS | | \$343.80 |
| PROGRAM PAYMENT | \$0.00 | 60.00 BUSHELS | 0.85 | \$0.00 |
| PLC PAYMENT | \$0.00 | | | \$0.00 |
| GRAZING | \$40.00 | 1.00 ACRE | | \$40.00 |
| TOTAL | | | | \$383.80 |

| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | FIXED COST | TOTAL |
|----------------------|---------|------------|------------------|------------|----------|
| SEED | \$0.50 | 120 LBS | \$60.00 | | \$60.00 |
| NITROGEN (N) | \$0.83 | 120 LBS | \$99.60 | | \$99.60 |
| PHOSPHATE (P2O5) | \$0.45 | 40 LBS | \$18.00 | | \$18.00 |
| INSECTICIDE (CUSTOM) | \$20.01 | 1 X/ACRE | \$20.01 | | \$20.01 |
| PUMP WATER* | | 18 AC. IN. | | | |
| CROP INSURANCE | \$0.24 | | \$0.24 | | \$0.24 |
| SUBTOTAL | | | \$197.84 | | \$197.84 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|---------|-------------|---------|------------|----------|
| BROADCAST (CUSTOM) | | | \$4.00 | | | | | \$4.00 |
| IRRIGATE (17X) | | 0.85 HR | | \$14.25 | \$98.36 | \$19.17 | \$6.43 | \$138.22 |
| SUBTOTAL | | 0.85 HR | \$4.00 | \$14.25 | \$98.36 | \$19.17 | \$6.43 | \$142.22 |

HARVEST OPERATIONS

| | | | | | | | | |
|------------------|--|--|---------|--|--|--|--|---------|
| COMBINE (CUSTOM) | | | \$5.97 | | | | | \$5.97 |
| HAUL (CUSTOM) | | | \$9.60 | | | | | \$9.60 |
| SUBTOTAL | | | \$15.57 | | | | | \$15.57 |

OVERHEAD EXPENSES

| | | | | | | | | |
|----------------------------|--|---------|---------|---------|--|--|--------|---------|
| DOWNTIME | | 0.00 HR | | \$0.00 | | | | \$0.00 |
| EMPLOYEE BENEFITS | | | | \$2.57 | | | | \$2.57 |
| INSURANCE | | | \$0.29 | | | | | \$0.29 |
| LAND TAXES | | | | | | | \$0.60 | \$0.60 |
| SUPERVISION AND MANAGEMENT | | | | \$27.72 | | | | \$27.72 |
| OTHER EXPENSES | | | \$66.97 | | | | | \$66.97 |
| SUBTOTAL | | 0.00 HR | \$67.26 | \$30.28 | | | \$0.60 | \$98.14 |

| | | | | | | | | |
|--------------------------|--|---------|----------|---------|---------|---------|--------|----------|
| TOTAL OPERATING EXPENSES | | 0.85 HR | \$284.67 | \$44.54 | \$98.36 | \$19.17 | \$7.03 | \$453.77 |
|--------------------------|--|---------|----------|---------|---------|---------|--------|----------|

| | | | | | | | | |
|----------------------|--|--|--|--|--|--|--|-----------|
| NET OPERATING PROFIT | | | | | | | | (\$69.97) |
|----------------------|--|--|--|--|--|--|--|-----------|

| | | | | | | | | |
|----------------------------------|---|----------|---|-------|---|--|--|---------|
| INTEREST ON OPERATING CAPITAL | (| \$129.60 | @ | 9.25% |) | | | \$11.99 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$3.42 |

| | | | | | | | | |
|-------------------------|--|--|--|--|--|--|--|-----------|
| RETURN TO LAND AND RISK | | | | | | | | (\$85.38) |
|-------------------------|--|--|--|--|--|--|--|-----------|

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

BUDGET SUMMARY

| | | | | |
|-------------------------------|----------|-----------|-----------------------------------------|--|
| GROSS RETURN | | \$383.80 | | |
| VARIABLE OPERATING EXPENSES | \$402.20 | | | |
| RETURN OVER VARIABLE EXPENSES | | (\$18.40) | (GROSS MARGIN) | |
| FIXED EXPENSES | \$7.03 | | | |
| NET FARM INCOME | | (\$25.44) | (RETURN TO CAPITAL, LABOR, LAND & RISK) | |
| LABOR AND MANAGEMENT COST | \$44.54 | | | |
| NET OPERATING PROFIT | | (\$69.97) | (RETURN TO CAPITAL, LAND & RISK) | |
| CAPITAL COSTS | \$15.40 | | | |
| RETURN TO LAND AND RISK | | (\$85.38) | | |

TABLE 9. Corn for grain, sprinkler-irrigated, budgeted per acre costs and returns for a 960 acre farm with above average management, Blackwater Draw area, Roosevelt County,
Actual for 2024
Planting Dates: April 25 - May 30
Harvest Dates: November 1 - November 30

| ITEM | PRICE | YIELD | BASE | TOTAL |
|-----------------|---------|------------|------|----------|
| GROSS RETURNS | | | | |
| CORN FOR GRAIN | \$7.55 | 100.00 CWT | | \$755.00 |
| PROGRAM PAYMENT | \$0.00 | 100.00 CWT | 0.85 | \$0.00 |
| PLC PAYMENT | \$0.00 | 0.00 CWT | | \$0.00 |
| GRAZING | \$20.00 | 1.00 ACRE | | \$20.00 |
| TOTAL | | | | \$775.00 |

| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | FIXED COST | TOTAL |
|----------------------|---------|------------|------------------|------------|----------|
| SEED | \$3.06 | 24 000 | \$73.50 | | \$73.50 |
| NITROGEN (N) | \$0.83 | 250 LBS | \$207.50 | | \$207.50 |
| PHOSPHATE (P205) | \$0.45 | 80 LBS | \$36.00 | | \$36.00 |
| POTASH (K20) | \$0.13 | 40 LBS | \$5.00 | | \$5.00 |
| TRACE ELEMENTS | \$15.36 | 1 X/ACRE | \$15.36 | | \$15.36 |
| HERBICIDE | \$21.24 | 1 X/ACRE | \$21.24 | | \$21.24 |
| INSECTICIDE (CUSTOM) | \$24.65 | 1 X/ACRE | \$24.65 | | \$24.65 |
| PUMP WATER* | | 30 AC. IN. | | | |
| CROP INSURANCE | \$0.31 | | \$0.31 | | \$0.31 |
| SUBTOTAL | | | \$383.56 | | \$383.56 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|---------|-------------|---------|------------|----------|
| DISC (2X) | 185 HP | 0.18 HR | | \$3.23 | \$6.45 | \$2.35 | \$4.31 | \$16.34 |
| PLOW | 185 HP | 0.29 HR | | \$5.20 | \$10.39 | \$3.46 | \$6.04 | \$25.09 |
| CHISEL (2X) | 185 HP | 0.20 HR | | \$3.58 | \$7.17 | \$2.39 | \$4.17 | \$17.31 |
| FERT SPREADER | 140 HP | 0.05 HR | | \$0.90 | \$1.35 | \$0.21 | \$0.41 | \$2.87 |
| PRE-IRRIGATE (3X) | | 0.30 HR | | \$5.03 | \$32.79 | \$6.39 | \$2.14 | \$46.35 |
| LISTER (3X) | 185 HP | 0.27 HR | | \$4.84 | \$9.68 | \$2.59 | \$5.20 | \$22.31 |
| ROD WEED | 185 HP | 0.08 HR | | \$1.43 | \$2.87 | \$0.51 | \$1.57 | \$6.39 |
| PLANTER | 185 HP | 0.12 HR | | \$2.15 | \$4.30 | \$0.99 | \$5.89 | \$13.33 |
| SAND FURROW (5X) | 140 HP | 0.50 HR | | \$8.96 | \$13.52 | \$4.62 | \$6.83 | \$33.92 |
| IRRIGATE (12X) | | 1.20 HR | | \$20.12 | \$131.15 | \$25.56 | \$8.58 | \$185.41 |
| SUBTOTAL | | 3.19 HR | | \$55.44 | \$219.67 | \$49.07 | \$45.14 | \$369.32 |

| | | | | | | | | |
|--------------------|--|--|---------|--|--|--|--|---------|
| HARVEST OPERATIONS | | | | | | | | |
| COMBINE (CUSTOM) | | | \$35.00 | | | | | \$35.00 |
| HAUL (CUSTOM) | | | \$18.00 | | | | | \$18.00 |
| SUBTOTAL | | | \$53.00 | | | | | \$53.00 |

| | | | | | | | | |
|----------------------------|-----|---------|---------|---------|--|--|--------|----------|
| OVERHEAD EXPENSES | | | | | | | | |
| DOWNTIME | | 0.41 HR | | \$7.35 | | | | \$7.35 |
| EMPLOYEE BENEFITS | ITS | | | \$9.98 | | | | \$9.98 |
| INSURANCE | | | \$1.11 | | | | | \$1.11 |
| LAND TAXES | | | | | | | \$0.60 | \$0.60 |
| SUPERVISION AND MANAGEMENT | | | | \$56.60 | | | | \$56.60 |
| OTHER EXPENSES | | | \$66.97 | | | | | \$66.97 |
| SUBTOTAL | | 0.41 HR | \$68.08 | \$73.92 | | | \$0.60 | \$142.60 |

TOTAL OPERATING EXPENSES 3.60 HR \$504.64 \$129.36 \$219.67 \$49.07 \$45.74 \$948.48

NET OPERATING PROFIT (\$173.48)

INTEREST ON OPERATING CAPITAL (\$263.38 @ 9.25%) \$24.36
INTEREST ON EQUIPMENT INVESTMENT \$19.87

RETURN TO LAND AND RISK (\$217.71)

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

BUDGET SUMMARY

| | | |
|-------------------------------|------------|-----------------------------------------|
| GROSS RETURN | \$775.00 | |
| VARIABLE OPERATING EXPENSES | \$773.38 | |
| RETURN OVER VARIABLE EXPENSES | \$1.62 | (GROSS MARGIN) |
| FIXED EXPENSES | \$45.74 | |
| NET FARM INCOME | (\$44.12) | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$129.36 | |
| NET OPERATING PROFIT | (\$173.48) | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$44.23 | |
| RETURN TO LAND AND RISK | (\$217.71) | |

TABLE 10. Peanuts, sprinkler-irrigated, budgeted per acre costs and returns for a 960 acre farm with above average management, Blackwater Draw area, Roosevelt County,
 Actual for 2024
 Planting Dates: May 10 - June 10
 Harvest Dates: October 10 - November 10

| ITEM | PRICE | YIELD | TOTAL | | | | | |
|---------------|----------|--------------|-------|--|--|--|--|----------|
| GROSS RETURNS | | | | | | | | |
| PEANUTS | \$0.2646 | 2,100.00 LBS | | | | | | \$555.66 |
| TOTAL | | | | | | | | \$555.66 |

| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | FIXED COST | TOTAL |
|-------------------------|---------|------------|------------------|------------|----------|
| SEED (PEANUT) | \$1.10 | 100 LB | \$110.00 | | \$110.00 |
| NITROGEN (N) | \$0.83 | 70 LB | \$58.10 | | \$58.10 |
| PHOSPHATE (P205) | \$0.45 | 80 LB | \$36.00 | | \$36.00 |
| POTASH (K2O) | \$0.14 | 30 LB | \$4.05 | | \$4.05 |
| TRACE ELEMENTS & MANURE | \$11.14 | 1 X/ACRE | \$41.14 | | \$41.14 |
| HERBICIDE | \$21.18 | 1 X/ACRE | \$21.18 | | \$21.18 |
| INSECTICIDE (CUSTOM) | \$16.96 | 1 X/ACRE | \$16.96 | | \$16.96 |
| FUNGICIDE | \$25.00 | 1 X/ACRE | \$25.00 | | \$25.00 |
| PUMP WATER | | 28 AC. IN. | | | |
| SUBTOTAL | | | \$312.43 | | \$312.43 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|--------------------------|------------|---------------------|------------------|---------|-------------|---------|------------|----------|
| DISC (2X) | 185 HP | 0.18 HR | | \$3.23 | \$6.45 | \$2.35 | \$4.31 | \$16.34 |
| PLOW | 185 HP | 0.29 HR | | \$5.20 | \$10.39 | \$3.46 | \$6.04 | \$25.09 |
| CHISEL (2X) | 185 HP | 0.20 HR | | \$3.58 | \$7.17 | \$2.39 | \$4.17 | \$17.31 |
| FERT SPREADER | 140 HP | 0.05 HR | | \$0.90 | \$1.35 | \$0.21 | \$0.41 | \$2.87 |
| SPRAY & DISC | 185 HP | 0.00 HR | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| PRE-IRRIGATE | | 0.30 HR | | \$5.03 | \$45.90 | \$7.03 | \$2.36 | \$60.32 |
| LISTER | 185 HP | 0.27 HR | | \$4.84 | \$9.68 | \$2.59 | \$5.20 | \$22.31 |
| PLANTER | 185 HP | 0.12 HR | | \$2.15 | \$4.30 | \$0.99 | \$5.89 | \$13.33 |
| APPLY FUNGICIDE (CUSTOM) | | | \$27.00 | | | | | \$27.00 |
| CULTIVATOR (2X) | 140 HP | 0.20 HR | | \$3.58 | \$5.41 | \$1.85 | \$2.73 | \$13.57 |
| HAND HOE (CUSTOM) | | | \$10.00 | | | | | \$10.00 |
| IRRIGATE (7X) | | 0.70 HR | | \$11.74 | \$107.11 | \$16.40 | \$5.50 | \$140.75 |
| SUBTOTAL | | 2.31 HR | \$37.00 | \$40.25 | \$197.76 | \$37.27 | \$36.61 | \$348.88 |

| HARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|--------------------|------------|---------------------|------------------|---------|-------------|---------|------------|----------|
| DIG AND INVERT | 185 HP | 0.24 HR | | \$4.30 | \$8.60 | \$13.60 | \$4.86 | \$31.36 |
| COMBINE PEANUTS | 185 HP | 0.80 HR | | \$14.34 | \$28.67 | \$5.42 | \$50.98 | \$99.41 |
| HAUL | 140 HP | 0.37 HR | | \$6.63 | \$10.00 | \$1.63 | \$7.91 | \$26.18 |
| SUBTOTAL | | 1.41 HR | \$0.00 | \$25.27 | \$47.28 | \$20.65 | \$63.75 | \$156.95 |

| OVERHEAD EXPENSES | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|----------------------------|---------------------|------------------|---------|-------------|---------|------------|----------|
| DOWNTIME | 0.68 HR | | \$12.19 | | | | \$12.19 |
| EMPLOYEE BENEFITS | | | \$11.79 | | | | \$11.79 |
| INSURANCE | | \$1.31 | | | | | \$1.31 |
| LAND TAXES | | | | | | \$0.60 | \$0.60 |
| SUPERVISION AND MANAGEMENT | | | \$41.26 | | | | \$41.26 |
| OTHER EXPENSES | | \$66.97 | | | | | \$66.97 |
| SUBTOTAL | 0.68 HR | \$68.28 | \$65.23 | | | \$0.60 | \$134.12 |

| | | | | | | | |
|----------------------------------|----------------------|----------|----------|----------|---------|----------|------------|
| TOTAL OPERATING EXPENSES | 4.40 HR | \$417.71 | \$130.75 | \$245.04 | \$57.92 | \$100.96 | \$952.38 |
| NET OPERATING PROFIT | | | | | | | (\$396.72) |
| INTEREST ON OPERATING CAPITAL | (\$220.63 @ 9.25%) | | | | | | \$20.41 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | \$51.13 |
| RETURN TO LAND AND RISK | | | | | | | (\$468.25) |

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

BUDGET SUMMARY

| | | | |
|-------------------------------|----------|------------|-----------------------------------------|
| GROSS RETURN | | \$555.66 | |
| VARIABLE OPERATING EXPENSES | \$720.67 | | |
| RETURN OVER VARIABLE EXPENSES | | (\$165.01) | (GROSS MARGIN) |
| FIXED EXPENSES | \$100.96 | | |
| NET FARM INCOME | | (\$265.97) | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$130.75 | | |
| NET OPERATING PROFIT | | (\$396.72) | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$71.53 | | |
| RETURN TO LAND AND RISK | | (\$468.25) | |

TABLE 11. Summary of per acre costs and returns for a 960 acre farm with above average management, Blackwater Draw area, Roosevelt County, Actual for 2024

| | ALFALFA ESTABLISHMENT | ALFALFA HAY | WHEAT | CORN | PEANUTS |
|----------------------------------|--------------------------|----------------|-----------|------------|------------|
| | | TONS | BU | CWT | LBS |
| PRIMARY YIELD | | 5.20 | 60.00 | 100.00 | 2,100.00 |
| PRIMARY PRICE | | \$252.00 | \$5.73 | \$7.55 | \$0.26 |
| GOVERNMENT PAYMENTS | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| SECOND INCOME | | \$50.00 | \$40.00 | \$20.00 | \$0.00 |
| GROSS RETURN | | \$1,360.40 | \$383.80 | \$775.00 | \$555.66 |
| CASH OPERATING EXPENSES | | | | | |
| SEED | \$90.00 | | \$60.00 | \$73.50 | \$110.00 |
| FERTILIZER | \$60.20 | \$67.50 | \$117.60 | \$263.86 | \$98.15 |
| CHEMICALS | | \$36.97 | \$20.01 | \$45.89 | \$63.14 |
| CROP INSURANCE | | | \$0.24 | \$0.31 | |
| OTHER PURCHASED INPUTS | | | | | \$41.14 |
| CANAL WATER | | | | | |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | \$26.04 | \$68.87 | \$0.00 | \$55.73 | \$92.03 |
| FUEL-IRRIGATION | \$49.18 | \$163.94 | \$98.36 | \$163.94 | \$153.01 |
| REPAIRS | \$17.03 | \$46.48 | \$19.17 | \$49.07 | \$57.92 |
| CUSTOM CHARGES | | | \$19.57 | \$53.00 | \$37.00 |
| LAND TAXES | \$0.00 | \$0.60 | \$0.60 | \$0.60 | \$0.60 |
| OTHER EXPENSES | \$0.39 | \$67.33 | \$67.26 | \$68.08 | \$68.28 |
| TOTAL CASH EXPENSES | \$242.84 | \$451.69 | \$402.80 | \$773.98 | \$721.27 |
| RETURN OVER CASH EXPENSES | (\$242.84) | \$908.71 | (\$19.00) | \$1.02 | (\$165.61) |
| FIXED EXPENSES | \$20.29 | \$136.47 | \$6.43 | \$45.14 | \$100.36 |
| TOTAL EXPENSES | \$263.13 | \$588.16 | \$409.24 | \$819.12 | \$821.63 |
| NET FARM INCOME | (\$263.13) | \$772.24 | (\$25.44) | (\$44.12) | (\$265.97) |
| LABOR AND MANAGEMENT COSTS | \$37.69 | \$190.25 | \$44.54 | \$129.36 | \$130.75 |
| NET OPERATING PROFIT | (\$300.81) | \$581.99 | (\$69.97) | (\$173.48) | (\$396.72) |
| CAPITAL COSTS | | | | | |
| INTEREST ON OPERATING CAPITAL | \$0.00 | \$10.22 | \$11.99 | \$24.36 | \$20.41 |
| INTEREST ON EQUIPMENT INVESTMENT | \$0.00 | \$29.21 | \$3.42 | \$19.87 | \$51.13 |
| TOTAL CAPITAL COSTS | \$0.00 | \$39.44 | \$15.40 | \$44.23 | \$71.53 |
| RETURN TO RISK | (\$300.81) | \$542.55 | (\$85.38) | (\$217.71) | (\$468.25) |

Flex Computation

-75.53 -152.70

TABLE 12. Whole farm summary, Blackwater Draw area, Roosevelt County,
Actual for 2024

| | | |
|----------------------------------|--------------|------------------|
| GROSS RETURNS | | |
| ALFALFA HAY | 250.00 ACRES | |
| CROP | | \$327,600 |
| GRAZING | | \$12,500 |
| WHEAT | 212.50 ACRES | |
| CROP | | \$73,058 |
| GRAZING | | \$8,500 |
| PROGRAM PAYMENT | | \$0 |
| PLC PAYMENT | | \$0 |
| CORN FOR GRAIN | 162.50 ACRES | |
| CROP | | \$122,688 |
| GRAZING | | \$3,250 |
| PROGRAM PAYMENT | | \$0 |
| PLC PAYMENT | | \$0 |
| PEANUTS | 100.00 ACRES | |
| CROP | | \$55,566 |
| GROSS RETURN | | <u>\$603,161</u> |
| CASH OPERATING EXPENSES | | |
| SEED | | \$40,194 |
| FERTILIZER | | \$97,567 |
| CHEMICALS | | \$27,264 |
| CROP INSURANCE | | \$100 |
| OTHER PURCHASED INPUTS | | \$4,114 |
| CANAL WATER | | \$0 |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | | \$36,780 |
| FUEL-IRRIGATION | | \$106,289 |
| REPAIRS | | \$30,310 |
| CUSTOM CHARGES | | \$16,471 |
| LAND TAXES | | \$436 |
| OTHER EXPENSES | | \$49,036 |
| TOTAL CASH EXPENSES | | <u>\$408,559</u> |
| RETURN OVER CASH EXPENSES | | \$194,602 |
| FIXED EXPENSES | | \$38,829 |
| TOTAL EXPENSES | | \$447,388 |
| NET FARM INCOME | | \$155,773 |
| LABOR AND MANAGEMENT COSTS | | \$93,007 |
| NET OPERATING PROFIT | | \$62,766 |
| CAPITAL COSTS | | |
| INTEREST ON OPERATING CAPITAL | | \$11,103 |
| INTEREST ON EQUIPMENT INVESTMENT | | \$16,371 |
| TOTAL CAPITAL COSTS | | <u>\$27,474</u> |
| RETURN TO RISK | | <u>\$35,292</u> |

| LAND VALUE | RETURN TO RISK* | RETURN ON INVESTMENT** |
|---------------|--------------------|---------------------------|
| \$500 /ACRE | \$26,576 | 8.52% |
| \$750 /ACRE | \$22,217 | 6.43% |
| \$1,000 /ACRE | \$17,859 | 5.16% |
| \$1,250 /ACRE | \$13,500 | 4.31% |
| \$1,500 /ACRE | \$9,142 | 3.70% |
| \$1,750 /ACRE | \$4,784 | 3.24% |
| \$2,000 /ACRE | \$425 | 2.88% |

* 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)