TABLE 1. Acreage Summary, Otero County, Actual 2025

BUDGET AREA.....	TULAROSA BASIN, OTERO COUNTY
FARM SIZE.....	50 ACRES
IRRIGATION TYPE.....	SPRINKLER
NUMBER OF CROPS.....	3

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE AC.IN. PER AC.	WATER USE TOTAL AC.IN.
ALFALFA ESTABLISHMENT	4.00 *	8	32
ALFALFA HAY	40.00	45	1,800
OAT HAY	5.00	18	90
SORGHUM/SUDAN	5.00 *	16	80
ROADS, DITCHES, HOMESTEAD	5.00		
TOTAL	50.00		2,002
ACRE FEET PER ACRE OF WATER RIGHTS			3.34

* DOUBLE-CROPPED

TABLE 2. Basic cost information for Tularosa Basin, Otero County, Actual 2025

Item			
Labor Wage Rate:			
Equipment operators		$/hour	$20.00
General & Irrigators		$/hour	$16.90
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		$/pound	$0.92
Seed:			
Alfalfa		$/pound	$4.60
Oats for Hay		$/pound	$0.56
Natural Gas (Gas NM)		$/TCF	$6.27
(service charge)		$/month	$10.00
Diesel fuel		$/gallon	$3.33
Gasoline		$/gallon	$2.68
Electricity (Otero Coop)		cents/KwHr	5.90
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	8.75%
Land Interest Rate		percent	7.95%
Equipment Interest Rate		percent	6.45%
Expected Inflation Rate		percent	1.72%
Land Taxes	$300.00	/acre (full value)	$3.22
Personal Property Tax Rate	- NR	$/$1,000 (Assessed Value)	$32.21
	- R		$24.53
Supervision Factors			
Field Crop-Irrigation		$/acre	$1.00
Field Crop-Equipment & General		$/acre	$0.50
Management Rate		percent	4.00%

TABLE 3. Overhead cost information for Tularosa Basin, Otero County, Actual 2025

Item					
Electricity (Domestic & Shop)			$83.20	per month	$998
Telephone			$89.60	per month	$1,075
Accounting & Legal					$192
Misc. Supplies & Hand Tools					$666
Pickup and Auto					
miles	6,592	@	$0.700	per mile	$4,614
Insurance					
- general liability (non-employee)					$307
- fire/theft					$205
Property Taxes					
- non-planted land					$0
- other than land & machinery					$6,010
Building repairs and maintenance					$307
Dues, fees, publications					$166
Farmstead Equipment					$205
				Total	$14,746
			Total per planted acre		$327.69

TABLE 6. Alfalfa establishment, sprinkler-irrigated, budgeted per acre costs and returns for a 50 acre part-time farm, Tularosa Basin, Otero County, Actual 2025

Planting dates: September 1 - November 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS				TOTAL
PURCHASED INPUTS							
ALFALFA SEED	$4.60	30 LBS	$138.00				$138.00
PUMP WATER*		8 AC. IN.					
SUBTOTAL			$138.00				$138.00

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	50 HP	0.39 HR		$7.80	$3.91	$0.39	$3.03	$15.14
PLOW	50 HP	1.05 HR		$21.00	$10.54	$1.39	$17.05	$49.97
DISC (2X)	50 HP	0.78 HR		$15.60	$7.83	$1.47	$12.28	$37.17
FLOAT (2X)	50 HP	0.64 HR		$12.80	$6.42	$0.66	$7.99	$27.87
DRILL	50 HP	0.21 HR		$4.20	$2.11	$0.43	$34.72	$41.47
IRRIGATE (4X)		2.00 HR		$33.80	$29.21	$0.00	$6.64	$69.66
SUBTOTAL		5.07 HR		$95.20	$60.02	$4.34	$81.72	$241.28
OVERHEAD EXPENSES								
DOWNTIME		0.77 HR		$15.35				$15.35
EMPLOYEE BENEFITS				$11.42				$11.42
FARM INSURANCE			$1.14					$1.14
SUPERVISION AND MANAGEMENT				$18.71				$18.71
SUBTOTAL		0.77 HR	$1.14	$45.48				$46.62
TOTAL OPERATING EXPENSES		5.84 HR	$139.14	$140.68	$60.02	$4.34	$81.72	$425.90

TABLE 7. Alfalfa hay, sprinkler-irrigated, budgeted per acre costs and returns for a 50 acre part-time farm, Tularosa Basin, Otero County, Actual 2025

Harvesting dates: May 10 - October 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	$245.00	6.00 TONS (STACKED)	$1,470.00
TOTAL			$1,470.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
FERT. (ALFALFA MIX)	$0.16	250 LBS	$40.00		$40.00
INSECTICIDE	$23.97	1 ACRE	$23.97		$23.97
WIRE	$0.36	56 LBS	$20.16		$20.16
ESTABLISHMENT: Principal		10 YEARS		$42.59	$42.59
: Interest				$18.62	$18.62
PUMP WATER*		45 AC. IN.			
SUBTOTAL			$84.13	$61.21	$145.35

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (11X)		5.50 HR		$92.95	$164.33	$0.00	$37.36	$294.64
SUBTOTAL		5.50 HR		$92.95	$164.33	$0.00	$37.36	$294.64
HARVEST OPERATIONS								
SWATHER (5X)	14 FT	0.80 HR		$16.00	$0.00	$0.20	$16.10	$32.30
BALER, PTO (5X)	50 HP	1.05 HR		$21.00	$10.54	$1.23	$17.96	$50.72
BALEWAGON, PTO (5X)	50 HP	1.00 HR		$20.00	$10.03	$2.29	$28.26	$60.59
SUBOTOTAL		2.85 HR		$57.00	$20.57	$3.72	$62.32	$143.61
OVERHEAD EXPENSES								
DOWNTIME		0.71 HR		$14.25				$14.25
EMPLOYEE BENEFITS				$17.99				$17.99
FARM INSURANCE			$1.80					$1.80
LAND TAXES							$3.22	$3.22
SUPERVISION AND MANAGEMENT				$65.73				$65.73
OTHER EXPENSES			$327.69					$327.69
SUBTOTAL		0.71 HR	$329.49	$97.97			$3.22	$430.68
TOTAL OPERATING EXPENSES		9.06 HR	$413.62	$247.92	$184.90	$3.72	$164.11	$1,014.27
NET OPERATING PROFIT								$455.73
INTEREST ON OPERATING CAPITAL		($85.17 @	8.75%)					$7.45
INTEREST ON EQUIPMENT INVESTMENT								$58.81
RETURN TO LAND AND RISK								$389.47

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

BUDGET SUMMARY

GROSS RETURN		$1,470.00	
VARIABLE OPERATING EXPENSES	$609.70		
RETURN OVER VARIABLE EXPENSES		$860.30	(GROSS MARGINS)
FIXED EXPENSES	$164.11		
NET FARM INCOME		$696.19	(RETURNS TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	$247.92		
NET OPERATING PROFIT		$448.27	(RETURNS TO CAPITAL, LAND & RISK)
CAPITAL COSTS	$58.81		
RETURN TO LAND AND RISK		$389.47	

TABLE 8. Oats for hay, sprinkler-irrigated, budgeted per acre costs and returns for a 50 acre part-time farm, Tularosa Basin, Otero County, Actual 2025
Planting dates: September 1 - November 1
Harvesting dates: April 15 - May 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
OATS FOR HAY	$184.00	3.00 TONS (STACKED)	$552.00
TOTAL			$552.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
OAT SEED	$0.56	100 LBS	$56.00		$56.00
NITROGEN (N)	$0.92	100 LBS	$92.39		$92.39
PUMP WATER*		18 AC. IN.			
SUBTOTAL			$148.39		$148.39

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	50 HP	0.39 HR		$7.80	$3.91	$0.73	$6.14	$18.59
PLOW	50 HP	1.05 HR		$21.00	$10.54	$1.39	$17.05	$49.97
DISC (2X)	50 HP	0.78 HR		$15.60	$7.83	$1.47	$12.28	$37.17
FLOAT (2X)	50 HP	0.64 HR		$12.80	$6.42	$0.66	$7.99	$27.87
DRILL	50 HP	0.21 HR		$4.20	$2.11	$0.43	$34.72	$41.47
IRRIGATE (4X)		2.00 HR		$33.80	$65.73	$0.00	$14.94	$114.48
SUBTOTAL		5.07 HR		$95.20	$96.54	$4.68	$93.13	$289.55
HARVEST OPERATIONS								
SWATHER	14 FT	0.16 HR		$3.20	$0.00	$0.04	$3.22	$6.46
BALER, PTO	50 HP	0.21 HR		$4.20	$2.11	$0.25	$3.59	$10.14
BALE WAGON	50 HP	0.20 HR		$4.00	$2.01	$0.46	$5.65	$12.12
SUBTOTAL		0.57 HR		$11.40	$4.11	$0.74	$12.46	$28.72
OVERHEAD EXPENSES								
DOWNTIME		0.91 HR		$18.20				$18.20
EMPLOYEE BENEFITS				$12.79				$12.79
FARM INSURANCE			$1.28					$1.28
LAND TAXES							$1.61	$1.61
SUPERVISION AND MANAGEMENT				$25.90				$25.90
OTHER EXPENSES			$163.84					$163.84
SUBTOTAL		0.91 HR	$165.12	$56.89			$1.61	$223.63
TOTAL OPERATING EXPENSES		6.55 HR	$313.51	$163.49	$100.65	$5.42	$107.20	$690.28
NET OPERATING PROFIT								($138.28)
INTEREST ON OPERATING CAPITAL		($99.90 @	8.75%)					$8.74
INTEREST ON EQUIPMENT INVESTMENT								$45.71
RETURN TO LAND AND RISK								($192.74)

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

BUDGET SUMMARY

GROSS RETURN		$552.00	
VARIABLE OPERATING EXPENSES	$428.33		
RETURN OVER VARIABLE EXPENSES		$123.67	(GROSS MARGINS)
FIXED EXPENSES	$107.20		
NET FARM INCOME		$16.47	(RETURNS TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	$163.49		
NET OPERATING PROFIT		($147.02)	(RETURNS TO CAPITAL, LAND & RISK)
CAPITAL COSTS	$45.71		
RETURN TO LAND AND RISK		($192.74)	

TABLE 9. Sorghum-sudan hay, sprinkler-irrigated, budgeted per acre costs and returns for a 50 acre part-time farm, Tularosa Basin, Otero County, Actual 2025
Planting dates: May 1 - June 1
Harvesting dates: June 1 - August 1

ITEM	PRICE	YIELD		TOTAL
GROSS RETURNS				
SORGHUM/SUDAN HAY	$184.00	5.00	TONS (STACKED)	$920.00
TOTAL				$920.00

PURCHASED INPUTS	PRICE	QUANTITY		PURCHASED INPUTS	FIXED COST	TOTAL
SEED	$1.04	50	LBS	$52.00		$52.00
NITROGEN (N)	$0.92	100	LBS	$92.39		$92.39
PUMP WATER*		16	AC. IN.			
SUBTOTAL				$144.39		$144.39

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	50 HP	0.39	HR		$7.80	$3.91	$0.73	$6.14	$18.59
FLOAT (2X)	50 HP	0.64	HR		$12.80	$6.42	$0.66	$7.99	$27.87
DRILL	50 HP	0.21	HR		$4.20	$2.11	$0.43	$34.72	$41.47
IRRIGATE (4X)		2.00	HR		$33.80	$58.43	$0.00	$13.28	$105.51
SUBTOTAL		3.24	HR		$58.60	$70.87	$1.82	$62.14	$193.43
HARVEST OPERATIONS									
SWATHER (2X)	14 FT	0.32	HR		$6.40	$0.00	$0.08	$6.44	$12.92
BALER, PTO (2X)	50 HP	0.42	HR		$8.40	$4.21	$0.49	$7.18	$20.29
BALE WAGON (2X)	50 HP	0.40	HR		$8.00	$4.01	$0.92	$11.31	$24.24
SUBTOTAL		1.14	HR		$22.80	$8.23	$1.49	$24.93	$57.44
OVERHEAD EXPENSES									
DOWNTIME		0.60	HR		$11.90				$11.90
EMPLOYEE BENEFITS					$9.77				$9.77
FARM INSURANCE				$0.98					$0.98
LAND TAXES								$1.61	$1.61
SUPERVISION AND MANAGEMENT					$39.99				$39.99
OTHER EXPENSES				$163.84					$163.84
SUBTOTAL		0.60	HR	$164.82	$61.66			$1.61	$228.09
TOTAL OPERATING EXPENSES		4.98	HR	$309.21	$143.06	$79.10	$3.31	$88.68	$623.36
NET OPERATING PROFIT									$296.64
INTEREST ON OPERATING CAPITAL		($91.18	@	8.75%)					$7.98
INTEREST ON EQUIPMENT INVESTMENT									$40.98
RETURN TO LAND AND RISK									$247.68

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

BUDGET SUMMARY

GROSS RETURN		$920.00	
VARIABLE OPERATING EXPENSES	$399.60		
RETURN OVER VARIABLE EXPENSES		$520.40	(GROSS MARGINS)
FIXED EXPENSES	$88.68		
NET FARM INCOME		$431.72	(RETURNS TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	$143.06		
NET OPERATING PROFIT		$288.67	(RETURNS TO CAPITAL, LAND & RISK)
CAPITAL COSTS	$40.98		
RETURN TO LAND AND RISK		$247.68	

TABLE 10. Summary of per acre costs and returns, 50-acre part-time farm, Tularosa Basin, Otero County, Actual 2025

	ALFALFA ESTABLISHMENT	ALFALFA HAY	OATS FOR HAY	SORGHUM SUDAY HAY
		TONS	TONS	TONS
PRIMARY YIELD		6.00	3.00	5.00
PRIMARY PRICE		$245.00	$184.00	$184.00
GOVERNMENT PAYMENTS		$0.00	$0.00	$0.00
SECOND INCOME		$0.00	$0.00	$0.00
GROSS RETURN		$1,470.00	$552.00	$920.00
CASH OPERATING EXPENSES				
SEED	$138.00		$56.00	$52.00
FERTILIZER		$40.00	$92.39	$92.39
CHEMICALS		$23.97		
CROP INSURANCE				
OTHER PURCHASED INPUTS		$20.16		
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	$30.81	$20.57	$34.92	$20.67
FUEL-IRRIGATION	$29.21	$164.33	$65.73	$58.43
REPAIRS	$4.34	$3.72	$5.42	$3.31
CUSTOM CHARGES				
LAND TAXES		$3.22	$1.61	$1.61
OTHER EXPENSES	$1.14	$329.49	$165.12	$164.82
TOTAL CASH EXPENSES	$203.50	$605.46	$421.20	$393.23
RETURN OVER CASH EXPENSES	($203.50)	$864.54	$130.80	$526.77
FIXED EXPENSES	$81.72	$160.89	$105.59	$87.07
TOTAL EXPENSES	$285.22	$766.35	$526.79	$480.30
NET FARM INCOME	($285.22)	$703.65	$25.21	$439.70
LABOR AND MANAGEMENT COSTS	$140.68	$247.92	$163.49	$143.06
NET OPERATING PROFIT	($425.90)	$455.73	($138.28)	$296.64
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		$7.45	$8.74	$7.98
INTEREST ON EQUIPMENT INVESTMENT		$58.81	$45.71	$40.98
TOTAL CAPITAL COSTS	$0.00	$66.26	$54.46	$48.96
RETURN TO LAND AND RISK	($425.90)	$389.47	($192.74)	$247.68

TABLE 11. Whole farm summary, Tularosa Basin, Otero County, Actual 2025

GROSS RETURNS					
ALFALFA HAY	40.00	ACRES			
CROP			$58,800		
OATS FOR HAY	5.00	ACRES			
CROP			$2,760		
SORGHUM/SUDAN	5.00	ACRES			
CROP			$4,600		
GROSS RETURN					$66,160
CASH OPERATING EXPENSES					
SEED			$1,092		
FERTILIZER			$2,524		
CHEMICALS			$959		
CROP INSURANCE			$0		
OTHER PURCHASED INPUTS			$806		
CANAL WATER			$0		
FUEL, OIL & LUBRICANTS-EQUIPMENT			$1,224		
FUEL-IRRIGATION			$7,311		
REPAIRS			$210		
CUSTOM CHARGES			$0		
LAND TAXES			$145		
OTHER EXPENSES			$14,834		
TOTAL CASH EXPENSES				$29,105	
RETURN OVER CASH EXPENSES					$37,055
FIXED EXPENSES				$5,587	
TOTAL EXPENSES				$34,692	
NET FARM INCOME					$31,468
LABOR AND MANAGEMENT COSTS			$12,012		
NET OPERATING PROFIT					$19,456
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL			$382		
INTEREST ON EQUIPMENT INVESTMENT			$2,786		
TOTAL CAPITAL COSTS				$3,167	
RETURN TO LAND AND RISK					$16,289

LAND VALUE	RETURNS TO RISK*	RETURN ON INVESTMENT**
$700 /ACRE	$15,689	29.36%
$900 /ACRE	$15,517	25.51%
$1,100 /ACRE	$15,346	22.55%
$1,300 /ACRE	$15,174	20.21%
$1,500 /ACRE	$15,003	18.31%
$1,700 /ACRE	$14,831	16.73%
$1,900 /ACRE	$14,660	15.41%
$2,100 /ACRE	$14,488	14.28%

* 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)