

Table 1. BUDGET AREA. COTTON CITY-ANIMAS AREA, HIDALGO COUNTY, 2025.
 FARM SIZE..... 400 ACRES
 IRRIGATION TYPE.. FLOOD/SPRINKLER
 NUMBER OF CROPS 4

ACREAGE SUMMARY:	WATER USE		
	LAND US (ACRES)	AC. IN. PER ACR.	TOTAL AC. IN.
GRAIN SORGHUM	136	30	4080
ARP	0		
FLEX IN COTTON	0	28	0
COTTON	153	28	4284
ARP	0		
FLEX IN COTTON	0	28	0
GREEN CHILE	20	54	1080
RED CHILE	20	48	960
ROADS, HOMESTEAD	20		
TOTAL	349		10404

ACRE FEET PER ACRE OF WATER RIGHT 2.48424

TABLE 2 Basic cost information for the Cotton City-Animas area, Actual 2025

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$17.92
General & Irrigators	\$/hour	\$16.90
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.92
Phosphate (P205)	\$/pound	\$0.93
Anhydrous Ammonia (NH3)	\$/ton	\$750.00
Seed:		
Grain Sorghum	\$/pound	\$2.25
Cotton (picker)	\$/pound	\$8.45
Chile		
green	\$/pound	\$125.00
red	\$/pound	\$125.00
wheat	\$/pound	\$0.56
Energy:		
Natural gas (Gas Co NM)	\$/MCF	\$6.27
(service charge)	\$/month	\$10.00
Diesel fuel	\$/gallon	\$3.33
Gasoline	\$/gallon	\$2.68
Electricity (Columbus)	cents/Kwhr	5.90
LP Gas	\$/gallon	\$2.55
Employee Liability Insurance	\$/ \$1,000 wages	\$20.00
Employee Benefits	percent/w ages	0.18
Labor Downtime	percent	0.25
Financial Rates:		
Operating Capital Interest Rate	percent	8.75%
Land Interest Rate	percent	7.95%
Equipment Interest Rate	percent	6.45%
Real Interest Rate	percent	1.72%
Land Taxes	348 /acre (full value)	\$2.57
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed Value)	\$22.12
- R		\$19.03
Supervision Factors		
Field Crop-Irrigation	\$/labor hour	\$1.00
Field Crop-Equipment & General	\$/labor hour	\$0.50
Vegetable Crop-Irrigation	\$/labor hour	\$2.90
Vegetable Crop-Equipment & General	\$/labor hour	\$1.00
Management Rate		
Field Crops	percent/GR	7.00%
Vegetable Crops	percent/TOE	10.00%

TABLE 3. Overhead cost information for Cotton City-Animas area, 2023.

ITEM			
Electricity (Domestic & Shop)	\$256.00	per month	3072
Telephone	\$121.60	per month	1459.2
Accounting & Legal			\$1,817.60
Misc. Supplies & Hand Tools			\$2,822.40
Pickup and Auto			
miles	20000	@	0.7 per mile
Insurance			
- general liability (non-employee)			\$1,907.20
- fire/theft			\$1,536.00
Property Taxes			
- non-planted land			9,515
- other than land & machinery			560
Building repairs and maintenance			\$1,446.40
Dues, fees, publications			\$435.20
Farmstead Equipment			\$179.20
Total			\$29,244.72
Total Per Planted Acre			\$88.89

TABLE 4. WHEAT, SPRINKLER IRRIGATED, BUDGETED PER ACRE COSTS AND RETURNS FOR A 700 ACRE FARM WITH ABOVE AVERAGE MANAGEMENT, COTTON CITY-ANIMAS AREA, HIDALGO COUNTY
 PLANTING DATES: DECEMBER 10 - DECEMBER 20
 HARVEST DATES: JUNE 15 - JULY 1

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
WHEAT	\$7.90	50 CWT						\$395.00
TOTAL							\$395.00	
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PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.56	100 LBS	56					\$56.00
ANHYDROUS AMMONIA (NH:	\$0.38	250 LBS	93.75					\$93.75
NITROGEN (N)	\$0.92	30 LBS	27.6					\$27.60
PHOSPHATE (P2O5)	\$0.93	80 LBS	74.4					\$74.40
PUMP WATER*		24 ACRE IN.						
CROP INSURANCE								
SUBTOTAL			251.75					\$251.75
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PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$2.51	\$4.83	\$1.13	\$3.85	\$12.32
FERTILIZE	185 HP	0.05 HR		\$0.90	\$1.73	\$0.40	\$1.37	\$4.40
DRAG (2X)	96 HP	0.2 HR		\$3.58	\$2.89	\$2.38	\$1.08	\$9.93
ANHYDROUS KNIVES	185 HP	0.1 HR		\$1.79	\$3.45	\$0.81	\$0.00	\$6.05
DRILL	96 HP	0.18 HR		\$3.23	\$2.60	\$2.13	\$0.00	\$7.95
IRRIGATE (4X)		0.6 HR		\$10.14	\$10.14	\$0.00	\$171.37	\$191.65
DISC	96 HP	0.25 HR		\$4.48	\$3.61	\$2.95	\$0.00	\$11.04
SUBTOTAL		1.52 HR		\$26.63	\$29.25	\$9.80	\$177.67	\$243.35
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HARVEST OPERATIONS								
COMBINE (CUSTOM)			32.22					\$32.22
HAUL TO STORAGE (CUSTOM)			9.5					\$9.50
HAUL TO MARKET (CUSTOM)			22.5					\$22.50
SUBTOTAL			64.22	\$0.00	\$0.00	\$0.00	\$0.00	\$64.22
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OVERHEAD EXPENSES								
DOWNTIME		0.155 HR		\$2.78				\$2.78
EMPLOYEE BENEFITS				\$4.79				\$4.79
INSURANCE			0.532528					\$0.53
LAND TAXES							\$2.57	\$2.57
SUPERVISION AND MANAGEMENT				\$28.66				\$28.66
OTHER EXPENSES			88.88971					\$88.89
SUBTOTAL			0.155 HR	\$9.42224	\$36.23		\$2.57	\$128.22
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TOTAL OPERATING EXPENSES		1.675 HR	405.3922	\$62.86	\$29.25	\$9.80	\$180.23	\$687.54
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NET OPERATING PROFIT							-\$292.54	
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INTEREST ON OPERATING CAPITAL	(140.9906	@	0.0875)			\$12.34
INTEREST ON EQUIPMENT INVESTMENT								\$7.60
RETURN TO LAND AND RISK							-\$312.48	

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

BUDGET SUMMARY

GROSS RETURN		\$395.00	
VARIABLE OPERATING EXPENSES	444.4479		
RETURN OVER VARIABLE EXPENSES	-\$49.45	(GROSS MARGIN)	
FIXED EXPENSES	180.2347		
NET FARM INCOME	-\$229.68	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	62.85675		
NET OPERATING PROFIT	-\$292.54	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	19.94166		
RETURN TO LAND AND RISK	-\$312.48		

TABLE 5. CORN FOR GRAIN, SPRINKLER IRRIGATED, BUDGETED PER ACRE COSTS AND RETURNS FOR A 700 ACRE FARM WITH AVERAGE MANAGEMENT, COTTON CITY-ANIMAS AREA, HIDALGO COUNTY
 PLANTING DATES: APRIL 1 - MAY 15
 HARVEST DATES: SEPTEMBER 15 - NOVEMBER 1

ITEM	PRICE	YIELD						TOTAL					
GROSS RETURNS													
CORN FOR GRAIN	\$7.30	85 CWT						\$620.50					
TOTAL							\$620.50						
PURCHASED INPUTS													
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL					
SEED	\$0.91	32 000	29					\$29.00					
ANHYDROUS AMMONIA (NH)	\$0.38	250 LBS	93.75					\$93.75					
NITROGEN (N)	\$0.92	80 LBS	73.6					\$73.60					
PHOSPHATE (P2O5)	\$0.93	100 LBS	93					\$93.00					
HERBICIDE	\$7.83	1 ACRE	7.8324					\$7.83					
PUMP WATER*		40 AC. IN.											
CROP INSURANCE													
SUBTOTAL							297.1824						
PREHARVEST OPERATIONS													
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL					
RIPPER	185 HP	0.2 HR		\$3.58	\$6.90	\$1.78	\$6.29	\$18.56					
DISC & SPRAY	185 HP	0.15 HR		\$2.69	\$2.69	\$0.00	\$48.17	\$53.54					
FERTILIZE	185 HP	0.05 HR		\$0.90	\$1.73	\$0.40	\$1.37	\$4.40					
ANHYDROUS KNIVES	185 HP	0.1 HR		\$1.79	\$3.45	\$0.81	\$2.75	\$8.80					
PLANTER	185 HP	0.26 HR		\$4.66	\$8.97	\$2.10	\$3.45	\$19.19					
CULTIVATOR (2X)	96 HP	0.42 HR		\$7.53	\$6.07	\$4.96	\$2.63	\$21.19					
IRRIGATE (12X)		1.8 HR		\$30.42	\$26.01	\$24.34	\$16.70	\$97.47					
SUBTOTAL							2.98 HR	\$51.57	\$55.82	\$34.40	\$81.37	\$223.14	
HARVEST OPERATIONS													
COMBINE (CUSTOM)				30.6				\$30.60					
HAUL TO STORAGE (CUSTOM)				17				\$17.00					
HAUL TO MARKET (CUSTOM)				38.25				\$38.25					
SUBTOTAL							85.85	\$0.00	\$0.00	\$0.00	\$0.00	\$85.85	
POSTHARVEST OPERATIONS													
SHREDDER	80 HP	0.14 HR		\$2.51	\$2.02	\$1.91	\$1.62	\$8.07					
OVERHEAD EXPENSES													
DOWNTIME		0.33 HR		\$5.91				\$5.91					
EMPLOYEE BENEFITS				\$9.73				\$9.73					
INSURANCE			1.081488					\$1.08					
LAND TAXES							\$2.57	\$2.57					
SUPERVISION AND MANAGEMENT				\$45.90				\$45.90					
OTHER EXPENSES			88.88971					\$88.89					
SUBTOTAL							0.33 HR	89.9712	\$61.54	\$2.57	\$154.08		
TOTAL OPERATING EXPENSES							3.45 HR	473.0036	\$115.62	\$57.84	\$36.31	\$85.55	\$768.32
NET OPERATING PROFIT													-\$147.82
INTEREST ON OPERATING CAPITAL	(179.282	@	0.0875)							\$15.69	
INTEREST ON EQUIPMENT INVESTMENT												\$13.74	
RETURN TO LAND AND RISK													-\$177.24

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

BUDGET SUMMARY

GROSS RETURN		\$620.50	
VARIABLE OPERATING EXPENSES	567.1501		
RETURN OVER VARIABLE EXPENSES	\$53.35	(GROSS MARGIN)	
FIXED EXPENSES	85.55449		
NET FARM INCOME	-\$32.20	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	115.6164		
NET OPERATING PROFIT	-\$147.82	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	29.42325		
RETURN TO LAND AND RISK	-\$177.24		

TABLE 4. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas area, Hidalgo County
 Planting dates: May 1 - May 20
 Harvesting dates: November 1 - November 25

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GRAIN SORGHUM	\$6.00	62 CWT						\$372.00
ASCS DIVERSION	0	0 CWT						\$0.00
ASCS DEFICIENCY	0	0 CWT						\$0.00
TOTAL							\$372.00	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				TOTAL	
SEED	2.25	8 LBS	\$18.00				\$18.00	
ANHYDROUS AMMONIA (NH)	0.375	180 LBS	\$67.50				\$67.50	
HERBICIDE	9.455	1 ACRE	\$9.46				\$9.46	
INSECTICIDE (CUSTOM)	10.065	1 ACRE	\$10.07				\$10.07	
PUMP WATER*		30 AC. IN.						
CROP INSURANCE	0.367647		\$0.37				\$0.37	
SUBTOTAL			\$105.39				\$105.39	
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
RIPPER	185 HP	0.2 HR		\$3.58	\$6.90	\$1.78	\$6.29	\$18.56
DISC	185 HP	0.14 HR		\$2.51	\$4.83	\$1.37	\$4.47	\$13.18
FERTILIZE	185 HP	0.05 HR		\$0.90	\$1.73	\$0.40	\$1.37	\$4.40
DRAG (2X)	96 HP	0.2 HR		\$3.58	\$2.89	\$2.38	\$1.08	\$9.93
DISC & SPRAY	185 HP	0.15 HR		\$2.69	\$5.18	\$1.87	\$5.42	\$15.16
LISTER	185 HP	0.18 HR		\$3.23	\$6.21	\$1.64	\$5.66	\$16.73
PRE-IRRIGATE		0.75 HR		\$12.68	\$13.08	\$0.29	\$2.87	\$28.92
ROLLING CULT	96 HP	0.21 HR		\$3.76	\$3.03	\$2.74	\$1.91	\$11.45
PLANTER	96 HP	0.26 HR		\$4.66	\$3.76	\$5.08	\$3.70	\$17.19
CULTIVATOR (2X)	96 HP	0.42 HR		\$7.53	\$6.07	\$4.96	\$2.63	\$21.19
ROTO BUCK (7X)	96 HP	0.105 HR		\$1.88	\$1.52	\$1.27	\$0.94	\$5.60
IRRIGATE (5X)		2.5 HR		\$42.25	\$65.39	\$1.46	\$14.35	\$123.45
SUBTOTAL		5.165 HR		\$89.24	\$120.59	\$25.25	\$50.69	\$285.77
HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$22.94				\$22.94	
HAUL TO STORAGE (CUSTOM)			\$11.78				\$11.78	
SUBTOTAL			\$34.72	\$0.00	\$0.00	\$0.00	\$0.00	\$34.72
POST HARVEST OPERATIONS								
SHREDDER	80 HP	0.14 HR		\$2.51	\$2.02	\$1.91	\$1.62	\$8.07
OVERHEAD EXPENSES								
DOWNTIME		0.51375 HR		\$9.21				\$9.21
EMPLOYEE BENEFITS				\$16.52				\$16.52
INSURANCE			\$1.84				\$1.84	
LAND TAXES						\$2.57	\$2.57	
SUPERVISION AND MANAGEMENT				\$30.32				\$30.32
OTHER EXPENSES			\$88.89				\$88.89	
SUBTOTAL		0.51375 HR	\$90.72	\$56.04			\$2.57	\$149.33
TOTAL OPERATING EXPENSES		5.81875 HR	\$230.83	\$147.79	\$122.61	\$27.16	\$54.88	\$583.27
NET OPERATING PROFIT								
							-\$211.27	
INTEREST ON OPERATING CAPITAL	(	93.02947	@	\$0.09			\$8.14	
INTEREST ON EQUIPMENT INVESTMENT							\$21.80	
RETURN TO LAND AND RISK							-\$241.21	

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

BUDGET SUMMARY

GROSS RETURN		372	
VARIABLE OPERATING EXPENSES	380.6016		
RETURN OVER VARIABLE EXPENSES	-8.60164	(GROSS MARGIN)	
FIXED EXPENSES	54.87922		
NET FARM INCOME	-63.4809	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	147.7896		
NET OPERATING PROFIT	-211.27	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	29.93948		
RETURN TO LAND AND RISK	-241.21		

TABLE 5. Upland cotton (picker), flood-irrigated, budgeted per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas area, Hidalgo County
 Planting dates: April 15 - May 15
 Harvesting dates: October 15 - January 1

ITEM	PRICE	YIELD							TOTAL
GROSS RETURNS									
COTTON LINT	\$0.65	1859 LBS							\$1,208.35
COTTON SEED	\$0.05	2974.4 LBS							\$145.00
TOTAL								\$1,353.35	
PURCHASED INPUTS		PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$8.45		25 LBS	\$211.25					\$211.25
NITROGEN (N)	\$0.92		32 LBS	\$29.44					\$29.44
PHOSPHATE (P2O5)	\$0.93		40 LBS	\$37.20					\$37.20
HERBICIDE	\$9.46		1 ACRE	\$9.46					\$9.46
CROP INSURANCE	\$0.00		1 DOLLAR	\$0.00					\$0.00
PUMP WATER*			28 AC. IN.						
SUBTOTAL				\$287.35					\$287.35
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
RIPPER	185 HP	0.1 HR		\$1.79	\$3.45	\$0.89	\$3.15	\$9.28	
DISC	185 HP	0.14 HR		\$2.51	\$4.83	\$1.37	\$4.47	\$13.18	
FERTILIZE	185 HP	0.05 HR		\$0.90	\$1.73	\$0.40	\$1.37	\$4.40	
DRAG (2X)	96 HP	0.2 HR		\$3.58	\$2.89	\$2.38	\$1.08	\$9.93	
DISC & SPRAY	185 HP	0.15 HR		\$2.69	\$5.18	\$1.87	\$5.42	\$15.16	
LISTER	185 HP	0.18 HR		\$3.23	\$6.21	\$1.64	\$5.66	\$16.73	
PRE-IRRIGATE		1 HR		\$16.90	\$14.65	\$0.33	\$3.21	\$35.09	
ROLLING CULT.	96 HP	0.21 HR		\$3.76	\$3.03	\$2.74	\$1.91	\$11.45	
PLANTER	96 HP	0.26 HR		\$4.66	\$3.76	\$5.08	\$3.70	\$17.19	
CULTIVATOR (2X)	96 HP	0.42 HR		\$7.53	\$6.07	\$4.96	\$2.63	\$21.19	
HAND HOE (CUSTOM)			\$15.00					\$15.00	
ROTO BUCK (5X)	96 HP	0.075 HR		\$1.34	\$1.08	\$0.90	\$0.67	\$4.00	
IRRIGATE (4X)		4 HR		\$67.60	\$58.59	\$1.31	\$12.85	\$140.36	
SUBTOTAL			6.785 HR	\$15.00	\$116.49	\$111.47	\$23.88	\$46.13	\$312.96
HARVEST OPERATIONS									
COTTON PICKER (2X)	2 ROW	1.24 HR		\$22.22	\$24.94	\$57.35	\$41.11	\$145.62	
COTTON TRAILER (2X)	HALF TON	1 HR		\$17.92	\$16.90	\$2.79	\$8.41	\$46.02	
GIN COTTON (CUSTOM)			\$203.00					\$203.00	
SUBTOTAL			2.24 HR	\$203.00	\$40.14	\$41.84	\$60.14	\$49.52	\$394.64
POSTHARVEST OPERATIONS									
SHREDDER	80 HP	0.14 HR		\$2.51	\$2.02	\$1.91	\$1.62	\$8.07	
OVERHEAD EXPENSES									
DOWNTIME		1.04125 HR		\$18.66				\$18.66	
EMPLOYEE BENEFITS				\$28.64				\$28.64	
INSURANCE			\$3.18					\$3.18	
LAND TAXES							\$2.57	\$2.57	
SUPERVISION AND MANAGEMENT				\$101.82				\$101.82	
OTHER EXPENSES			\$88.89					\$88.89	
SUBTOTAL			1.04125 HR	\$92.07	\$149.12		\$2.57	\$243.76	
TOTAL OPERATING EXPENSES			10.20625 HR	\$597.42	\$308.26	\$155.33	\$85.93	\$99.83	\$1,246.77
NET OPERATING PROFIT								\$106.58	
INTEREST ON OPERATING CAPITAL	(	203.9086	@	\$0.09	)			\$17.84
INTEREST ON EQUIPMENT INVESTMENT								\$41.82	
RETURN TO LAND AND RISK								\$46.92	
* Pump water costs are shown under irrigation in the preharvest operations section.									
BUDGET SUMMARY									
GROSS RETURN		\$1,353.35							
VARIABLE OPERATING EXPENSES	838.683								
RETURN OVER VARIABLE EXPENSES		\$514.67	(GROSS MARGIN)						
FIXED EXPENSES	99.83307								
NET FARM INCOME		\$414.84	(RETURN TO CAPITAL, LABOR, LAND & RISK)						
LABOR AND MANAGEMENT COST	308.2578								
NET OPERATING PROFIT		\$106.58	(RETURN TO CAPITAL, LAND & RISK)						
CAPITAL COSTS	59.65742								
RETURN TO LAND AND RISK		\$46.92							

TABLE 6. Green chile, flood-irrigated, budgeted per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas Area, Hidalgo County
 Planting dates: March 15 - May 1
 Harvesting dates: August 15 - September 15

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS									
GREEN CHILE	\$885.00	14 TONS						\$12,390.00	
RED CHILE	0	0 LBS						\$0.00	
TOTAL							\$12,390.00		
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL	
SEED	\$125.00	4 LBS	\$500.00					\$500.00	
ANHYDROUS AMMONIA (NH ₃)	\$0.38	300 LBS	\$112.50					\$112.50	
NITROGEN (N)	\$0.92	60 LBS	\$55.20					\$55.20	
PHOSPHATE (P2O5)	\$0.93	150 LBS	\$139.50					\$139.50	
HERBICIDE	\$12.57	1 ACRE	\$12.57					\$12.57	
INSECTICIDE	\$12.57	1 ACRE	\$12.57					\$12.57	
CROP INSURANCE	\$0.00	1 DOLLAR	\$0.00					\$0.00	
PUMP WATER*		54 AC. IN.							
SUBTOTAL			\$832.33					\$832.33	
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.14 HR		\$2.51	\$4.83	\$1.37	\$4.47	\$13.18	
PLOW	185 HP	0.48 HR		\$8.60	\$16.56	\$5.38	\$27.26	\$57.81	
DISC	185 HP	0.14 HR		\$2.51	\$4.83	\$1.37	\$4.47	\$13.18	
LASER (CUSTOM)			\$73.33					\$73.33	
LISTER & SPRAY	185 HP	0.13 HR		\$2.33	\$4.49	\$1.53	\$4.63	\$12.98	
FERTILIZE	185 HP	0.05 HR		\$0.90	\$1.73	\$0.40	\$1.37	\$4.40	
PRE-IRRIGATE		0.75 HR		\$13.44	\$70.63	\$0.07	\$0.67	\$84.80	
ROLLING CULT	96 HP	0.13 HR		\$2.33	\$1.88	\$1.70	\$4.13	\$10.03	
VEGETABLE PLANTER	96 HP	0.17 HR		\$3.05	\$2.46	\$2.20	\$8.60	\$16.30	
CULTIVATOR (5X)	96 HP	0.65 HR		\$11.65	\$9.39	\$7.68	\$5.92	\$34.64	
THIN & HOE (CUSTOM)			\$90.00					\$90.00	
ROTO BUCK (7X)	96 HP	0.21 HR		\$3.76	\$3.03	\$2.53	\$1.88	\$11.21	
IRRIGATE (8X)		4 HR		\$71.68	\$125.56	\$3.28	\$3.55	\$204.06	
SUBTOTAL			6.85 HR	\$163.33	\$122.75	\$245.38	\$27.51	\$66.95	\$625.93
HARVEST OPERATIONS									
HARVEST GREEN (CUSTOM)			\$1,260.00					\$1,260.00	
HARVEST RED (CUSTOM)			\$0.00					\$0.00	
HAUL	3/4 TON	6 HR		\$107.52	\$101.42	\$13.26	\$17.34	\$239.53	
SUBTOTAL			6 HR	\$1,260.00	\$107.52	\$101.42	\$13.26	\$17.34	\$1,499.53
POST HARVEST OPERATIONS									
SHREDDER	80 HP	0.29 HR		\$5.20	\$4.19	\$3.96	\$3.36	\$16.71	
SUBTOTAL			0.29 HR	\$0.00	\$5.20	\$4.19	\$3.96	\$3.36	\$16.71
OVERHEAD EXPENSES									
DOWNTIME		0.5975 HR		\$3.45				\$3.45	
EMPLOYEE BENEFITS				\$42.38				\$42.38	
INSURANCE			\$4.71					\$4.71	
LAND TAXES						\$2.57	\$2.57		
SUPERVISION AND MANAGEMENT				\$200.00				\$200.00	
OTHER EXPENSES			\$88.89					\$88.89	
SUBTOTAL			0.5975 HR	\$93.60	\$245.83		\$2.57	\$342.00	
TOTAL OPERATING EXPENSES		13.7375 HR	\$2,349.26	\$481.30	\$350.99	\$44.73	\$90.22	\$3,316.50	
NET OPERATING PROFIT							\$9,073.50		
INTEREST ON OPERATING CAPITAL	(	598.9465	@	\$0.09			\$52.41	
INTEREST ON EQUIPMENT INVESTMENT							\$54.83		
RETURN TO LAND AND RISK							\$8,966.26		

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

BUDGET SUMMARY

GROSS RETURN	#####	
VARIABLE OPERATING EXPENSES	2744.986	
RETURN OVER VARIABLE EXPENSES	\$9,645.01	(GROSS MARGIN)
FIXED EXPENSES	90.21612	
NET FARM INCOME	\$9,554.80	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	481.2997	
NET OPERATING PROFIT	\$9,073.50	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	107.2353	
RETURN TO LAND AND RISK	\$8,966.26	

TABLE 7. Red chile, flood-irrigated, budgeted per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas Area, Hidalgo County
 Planting dates: March 15 - May 1
 Harvesting dates: September 15 - January 31

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
RED CHILE	\$1.00	2000 LBS						\$2,000.00
TOTAL							\$2,000.00	
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS			TOTAL		
SEED	18.00	4 LBS	\$72.00			\$72.00		
ANHYDROUS AMMONIA (NH)	0.38	230 LBS	\$86.25			\$86.25		
NITROGEN (N)	0.36	60 LBS	\$21.60			\$21.60		
PHOSPHATE (P2O5)	0.33	150 LBS	\$49.50			\$49.50		
HERBICIDE	14.11	1 ACRE	\$14.11			\$14.11		
INSECTICIDE	14.22	1 ACRE	\$14.22			\$14.22		
CROP INSURANCE	0.00	1 DOLLARS	\$0.00			\$0.00		
PUMP WATER*		48 AC. IN.						
SUBTOTAL			\$257.67			\$257.67		
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$2.51	\$4.83	\$1.37	\$4.47	\$13.18
PLOW	185 HP	0.48 HR		\$8.60	\$16.56	\$5.38	\$27.26	\$57.81
DISC	185 HP	0.14 HR		\$2.51	\$4.83	\$1.37	\$4.47	\$13.18
DRAG (2X)	96 HP	0.2 HR		\$3.58	\$2.89	\$2.38	\$1.08	\$9.93
LISTER	185 HP	0.12 HR		\$2.15	\$4.14	\$1.09	\$3.77	\$11.15
FERTILIZE	185 HP	0.05 HR		\$0.90	\$1.73	\$0.40	\$1.37	\$4.40
PRE-IRRIGATE		0.75 HR		\$13.44	\$62.78	\$0.07	\$0.67	\$76.95
ROLLING CULT	96 HP	0.13 HR		\$2.33	\$1.88	\$1.70	\$1.18	\$7.09
VEGETABLE PLANTER	96 HP	0.17 HR		\$3.05	\$2.46	\$2.20	\$8.60	\$16.30
CULTIVATOR (5X)	96 HP	0.65 HR		\$11.65	\$9.39	\$7.68	\$4.07	\$32.79
THIN & HOE (CUSTOM)			\$90.00					\$90.00
ROTO BUCK (7X)	96 HP	0.21 HR		\$3.76	\$3.55	\$2.53	\$1.88	\$11.72
IRRIGATE (11X)		5.5 HR		\$98.56	\$115.10	\$0.50	\$4.88	\$219.03
SUBTOTAL			\$90.00	\$153.04	\$230.13	\$26.67	\$63.71	\$563.55
HARVEST OPERATIONS								
HARVEST (CUSTOM)			\$400.00					\$400.00
HAUL	3/4 TON	3 HR		\$53.76	\$50.71	\$6.63	\$8.67	\$119.77
SUBTOTAL			\$400.00	\$53.76	\$50.71	\$6.63	\$8.67	\$519.77
POST HARVEST OPERATIONS								
SHREDDER	80 HP	0.29 HR		\$5.20	\$4.19	\$3.96	\$3.36	\$16.71
SUBTOTAL			\$0.00	\$5.20	\$4.19	\$3.96	\$3.36	\$16.71
OVERHEAD EXPENSES								
DOWNTIME		1.395 HR		\$25.00				\$25.00
EMPLOYEE BENEFITS				\$38.16				\$38.16
INSURANCE			\$4.24					\$4.24
LAND TAXES						\$2.57		\$2.57
SUPERVISION AND MANAGEMENT				\$120.70				\$120.70
OTHER EXPENSES			\$88.89					\$88.89
SUBTOTAL			\$93.13	\$183.85	\$0.00	\$0.00	\$2.57	\$279.55
TOTAL OPERATING EXPENSES		13.225 HR	\$840.80	\$395.85	\$285.03	\$37.26	\$78.31	\$1,637.25
NET OPERATING PROFIT							\$362.75	
INTEREST ON OPERATING CAPITAL	(	231.8279	@	\$0.09	)		\$20.28	
INTEREST ON EQUIPMENT INVESTMENT							\$44.26	
RETURN TO LAND AND RISK							\$298.20	

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

BUDGET SUMMARY

GROSS RETURN		\$2,000.00	
VARIABLE OPERATING EXPENSES	\$1,163.10		
RETURN OVER VARIABLE EXPENSES		\$836.90	(GROSS MARGIN)
FIXED EXPENSES	\$78.31		
NET FARM INCOME		\$758.59	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$395.85		
NET OPERATING PROFIT		\$362.75	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$64.55		
RETURN TO LAND AND RISK		\$298.20	

TABLE 8. Summary of per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas area, Hidalgo Cou Actual 2025

	GRAIN SORGHUM	PICKER COTTON	GREEN CHILE	RED CHILE
	-----FLOOD-----			
	CWT	LBS	TONS	LBS
PRIMARY YIELD	62	1859	14	2000
PRIMARY PRICE	\$6.00	\$0.65	\$885.00	\$1.00
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$0.00	\$145.00	\$0.00	\$0.00
GROSS RETURN	\$372.00	\$1,353.35	\$12,390.00	\$2,000.00
CASH OPERATING EXPENSES				
SEED	\$18.00	\$211.25	\$500.00	\$72.00
FERTILIZER	\$67.50	\$66.64	\$307.20	\$157.35
CHEMICALS	\$19.52	\$9.46	\$25.13	\$28.32
CROP INSURANCE	\$0.37	\$0.00	\$0.00	\$0.00
OTHER PURCHASED INPUTS				
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$44.14	\$82.09	\$154.81	\$107.16
FUEL-IRRIGATION	\$78.47	\$73.24	\$196.18	\$177.87
REPAIRS	\$27.16	\$85.93	\$44.73	\$37.26
CUSTOM CHARGES	\$34.72	\$218.00	\$1,423.33	\$490.00
LAND TAXES	\$2.57	\$2.57	\$2.57	\$2.57
OTHER EXPENSES	\$90.72	\$92.07	\$93.60	\$93.13
TOTAL CASH EXPENSES	\$383.17	\$841.25	\$2,747.55	\$1,165.66
RETURN OVER CASH EXPENSES	-\$11.17	\$512.10	\$9,642.45	\$834.34
FIXED EXPENSES	\$52.31	\$97.27	\$87.65	\$75.74
TOTAL EXPENSES	\$435.48	\$938.52	\$2,835.20	\$1,241.41
NET FARM INCOME	-\$63.48	\$414.84	\$9,554.80	\$758.59
LABOR AND MANAGEMENT COSTS	\$147.79	\$308.26	\$867.30	\$395.85
NET OPERATING PROFIT	-\$211.27	\$106.58	\$8,687.50	\$362.75
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL	\$8.14	\$17.84	\$52.41	\$20.28
INTEREST ON EQUIPMENT INVESTMENT	\$21.80	\$41.82	\$54.83	\$44.26
TOTAL CAPITAL COSTS	\$29.94	\$59.66	\$107.24	\$64.55
RETURN TO LAND AND RISK	-\$241.21	\$46.92	\$8,580.26	\$298.20

TABLE 9. Whole farm summary, Cotton City-Animas Area, Hidalgo County,
Actual 2025

GROSS RETURNS		
GRAIN SORGHUM	136 ACRES	
CROP		\$50,592
ASCS DEFICIENCY		\$0
ASCS DIVERSION		\$0
UPLAND COTTON	153 ACRES	
LINT		\$184,878
SEED		\$22,185
ASCS DEFICIENCY		\$0
ASCS DIVERSION		\$0
GREEN CHILE	20 ACRES	
GREEN		\$247,800
RED		\$0
RED CHILE	20 ACRES	
CROP		\$40,000
GROSS RETURN		<u>\$545,455</u>
CASH OPERATING EXPENSES		
SEED		\$46,209
FERTILIZER		\$28,667
CHEMICALS		\$5,170
CROP INSURANCE		\$2,210
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$23,802
FUEL-IRRIGATION		\$29,360
REPAIRS		\$18,481
CUSTOM CHARGES		\$76,343
LAND TAXES		\$844
OTHER EXPENSES		\$30,160
TOTAL CASH EXPENSES		<u>\$261,246</u>
RETURN OVER CASH EXPENSES		\$284,209
FIXED EXPENSES		\$25,264
TOTAL EXPENSES		\$286,511
NET FARM INCOME		\$258,944
LABOR AND MANAGEMENT COSTS		\$92,526
NET OPERATING PROFIT		\$166,419
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$5,291
INTEREST ON EQUIPMENT INVESTMENT		\$11,344
TOTAL CAPITAL COSTS		<u>\$16,635</u>
RETURN TO LAND AND RISK		<u>\$149,784</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
500 /ACRE	146,353.59	44.27%
700 /ACRE	144,981.59	36.50%
900 /ACRE	143,609.59	31.05%
1100 /ACRE	142,237.59	27.02%
1300 /ACRE	140,865.59	23.91%
1500 /ACRE	139,493.59	21.45%

* 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)