

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area, Projected 2015
Planting dates: September 1 - September 31

ITEM	PRICE	QUANTITY	PURCHASED INPUTS		TOTAL			
PURCHASED INPUTS								
SEED	\$6.00	30.00 LBS	\$180.00		\$180.00			
INSECTICIDE (CUSTOM)	\$13.38	1 ACRE	\$13.38		\$13.38			
PUMP WATER*		16.00 AC. IN.						
SUBTOTAL			\$193.38		\$193.38			
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.45	\$9.82	\$1.89	\$2.74	\$15.90
PLOW	145 HP	0.48 HR		\$4.10	\$13.86	\$4.94	\$6.68	\$29.58
DISC (2X)	145 HP	0.34 HR		\$2.91	\$9.82	\$3.77	\$5.49	\$21.99
PLANE (2X)	130 HP	0.48 HR		\$4.10	\$13.86	\$1.95	\$13.01	\$32.93
DRILL	96 HP	0.21 HR		\$1.80	\$3.20	\$0.41	\$2.58	\$7.99
DITCHER (2X)	130 HP	0.10 HR		\$0.86	\$2.89	\$0.40	\$2.04	\$6.19
IRRIGATE (2X)		1.00 HR		\$7.50	\$18.11	\$0.00	\$2.17	\$27.78
SUBTOTAL		2.78 HR		\$22.72	\$71.54	\$13.37	\$34.71	\$142.35
OVERHEAD EXPENSES								
DOWNTIME		0.45 HR		\$3.80				\$3.80
EMPLOYEE BENEFITS				\$4.09				\$4.09
INSURANCE			\$0.45					\$0.45
SUPERVISION AND MANAGEMENT				\$25.34				\$25.34
SUBTOTAL		0.45 HR	\$0.45	\$33.23				\$33.69
TOTAL OPERATING EXPENSES		3.23 HR	\$193.83	\$55.95	\$71.54	\$13.37	\$34.71	\$369.41

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area, Projected 2015
Harvesting dates: May 20 - October 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	\$255.00	6.5 TONS (DELIVERED)	\$1,657.50
TOTAL			\$1,657.50

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
FERTILIZER (10-26-10)	\$0.32	200 LBS	\$64.00		\$64.00
INSECTICIDE (CUSTOM)	\$44.48	1 ACRE	\$44.48		\$44.48
HERBICIDE (CUSTOM)	\$28.11	1 ACRE	\$28.11		\$28.11
PLASTIC TWINE	\$0.72	170 FT/TON	\$0.20		\$0.20
ESTABLISHMENT: Principal		5 YEARS		\$73.88	\$73.88
: Interest				\$11.44	\$11.44
PUMP WATER*		54 AC. IN.			
SUBTOTAL			\$136.79	\$85.32	\$222.11

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (6X)		3.00 HR		\$22.50	\$61.11	\$0.00	\$7.32	\$90.93
SUBTOTAL		3.00 HR		\$22.50	\$61.11	\$0.00	\$7.32	\$90.93

HARVEST OPERATIONS								
SWATHER (5X)	14 FT	0.55 HR		\$4.70	\$7.21	\$0.80	\$12.00	\$24.71
RAKE (5X)	96 HP	0.25 HR		\$2.14	\$3.81	\$0.47	\$1.54	\$7.96
BALER (5X)	145 HP	0.35 HR		\$2.99	\$10.11	\$2.00	\$22.64	\$37.74
FRONT END LOADER (5X)	130 HP	0.25 HR		\$2.14	\$7.22	\$1.78	\$4.58	\$15.72
HAUL	SEMI	0.50 HR		\$4.28	\$0.00	\$1.40	\$9.40	\$15.07
SUBTOTAL		1.90 HR		\$16.25	\$28.34	\$6.45	\$50.16	\$101.19

OVERHEAD EXPENSES								
DOWNTIME		0.48 HR		\$4.06				\$4.06
EMPLOYEE BENEFITS				\$6.97				\$6.97
INSURANCE			\$0.77					\$0.77
LAND TAXES							\$1.45	\$1.45
SUPERVISION AND MANAGEMENT				\$119.98				\$119.98
OTHER EXPENSES			\$44.53					\$44.53
SUBTOTAL		0.48 HR	\$45.31	\$131.01			\$1.45	\$177.77

TOTAL OPERATING EXPENSES 5.38 HR \$182.09 \$169.76 \$89.44 \$6.45 \$144.25 \$592.00

NET OPERATING PROFIT \$1,065.50

INTEREST ON OPERATING CAPITAL (\$86.57 @ 5.50%) \$4.76
INTEREST ON EQUIPMENT INVESTMENT \$23.06

RETURN TO LAND AND RISK \$1,037.68

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

BUDGET SUMMARY

GROSS RETURN		\$1,657.50	
VARIABLE OPERATING EXPENSES	\$277.99		
RETURN OVER VARIABLE EXPENSES	\$1,379.51		(GROSS MARGIN)
FIXED EXPENSES	\$144.25		
NET FARM INCOME	\$1,235.26		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$169.76		
NET OPERATING PROFIT	\$1,065.50		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$27.82		
RETURN TO LAND AND RISK		\$1,037.68	

TABLE 8. Wheat, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area,
 Projected 2015
 Planting dates: August 15 - November 1
 Harvesting dates: June 15 - July 1

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$11.67	40.00 CWT		\$466.67
DIRECT PAYMENT	\$0.00	40.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$44.00	1.00 ACRE		\$44.00
TOTAL				\$510.67

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.45	100 LBS	\$45.00		\$45.00
NITROGEN (N)	\$0.45	150 LBS	\$67.50		\$67.50
PHOSPHATE (P205)	\$0.40	50 LBS	\$20.00		\$20.00
INSECTICIDE	\$19.17	1 ACRE	\$19.17		\$19.17
PUMP WATER*		28 AC. IN.			
CROP INSURANCE	\$0.98		\$0.98		\$0.98
SUBTOTAL			\$152.65		\$152.65

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.48 HR		\$4.10	\$13.86	\$4.94	\$6.68	\$29.58
DISC (2X)	145 HP	0.34 HR		\$2.91	\$9.82	\$3.77	\$5.49	\$21.99
FERTILIZE	DEALER APPLIED							
DRILL	96 HP	0.21 HR		\$1.80	\$3.20	\$0.41	\$2.58	\$7.99
DITCHER (2X)	130 HP	0.10 HR		\$0.86	\$2.89	\$0.40	\$2.04	\$6.19
IRRIGATE (4X)		2.00 HR		\$15.00	\$31.69	\$0.00	\$3.80	\$50.48
SUBTOTAL		3.13 HR		\$24.66	\$61.45	\$9.53	\$20.58	\$116.22

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$28.04					\$28.04
HAUL (CUSTOM)			\$6.80					\$6.80
SUBTOTAL			\$34.84					\$34.84

OVERHEAD EXPENSES								
DOWNTIME		0.28 HR		\$2.42				\$2.42
EMPLOYEE BENEFITS				\$4.44				\$4.44
INSURANCE			\$0.49					\$0.49
LAND TAXES						\$1.45		\$1.45
SUPERVISION AND MANAGEMENT				\$38.26				\$38.26
OTHER EXPENSES			\$44.53					\$44.53
SUBTOTAL		0.28 HR		\$45.02	\$45.12		\$1.45	\$91.59

TOTAL OPERATING EXPENSES 3.41 HR \$232.52 \$69.78 \$61.45 \$9.53 \$22.03 \$395.31

NET OPERATING PROFIT \$115.36

INTEREST ON OPERATING CAPITAL (\$96.98 @ 5.50%) \$5.33
 INTEREST ON EQUIPMENT INVESTMENT \$9.13

RETURN TO LAND AND RISK \$100.90

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

BUDGET SUMMARY

GROSS RETURN		\$510.67	
VARIABLE OPERATING EXPENSES	\$303.50		
RETURN OVER VARIABLE EXPENSES	\$207.17		(GROSS MARGIN)
FIXED EXPENSES	\$22.03		
NET FARM INCOME		\$185.14	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$69.78		
NET OPERATING PROFIT		\$115.36	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$14.46		
RETURN TO LAND AND RISK		\$100.90	

TABLE 9. Oat hay, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area, Projected 2015
 Planting dates: February 15 - April 1
 Harvesting dates: June 15 - July 1

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
OAT HAY	\$195.00	5.00 TONS (DELIVERED)						\$975.00
TOTAL								\$975.00
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.64	80 LBS	\$51.20					\$51.20
NITROGEN (N)	\$0.45	85 LBS	\$38.25					\$38.25
PUMP WATER*		21 AC. IN.						
SUBTOTAL			\$89.45					\$89.45
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	145 HP	0.34 HR		\$2.91	\$9.82	\$3.77	\$5.49	\$21.99
DRILL	96 HP	0.21 HR		\$1.80	\$3.20	\$0.41	\$2.58	\$7.99
DITCHER (2X)	130 HP	0.05 HR		\$0.43	\$1.44	\$0.20	\$1.02	\$3.09
IRRIGATE (3X)		1.50 HR		\$11.25	\$23.76	\$0.00	\$2.85	\$37.86
SUBTOTAL		2.10 HR		\$16.38	\$38.22	\$4.39	\$11.94	\$70.93
HARVEST OPERATIONS								
SWATHER	14 FT	0.16 HR		\$1.37	\$2.10	\$0.23	\$3.49	\$7.19
RAKE	96 HP	0.05 HR		\$0.43	\$0.76	\$0.09	\$0.31	\$1.59
BALER	145 HP	0.05 HR		\$0.43	\$1.44	\$0.29	\$3.23	\$5.39
FRONT END LOADER	130 HP	0.05 HR		\$0.43	\$1.44	\$0.36	\$0.92	\$3.14
HAUL	SEMI	0.50 HR		\$4.28	\$0.00	\$1.40	\$9.40	\$15.07
SUBTOTAL		0.81 HR		\$6.93	\$5.74	\$2.37	\$17.35	\$32.39
OVERHEAD EXPENSES								
DOWNTIME		0.35 HR		\$3.01				\$3.01
EMPLOYEE BENEFITS				\$4.19				\$4.19
INSURANCE			\$0.47					\$0.47
LAND TAXES						\$1.45		\$1.45
SUPERVISION AND MANAGEMENT				\$70.43				\$70.43
OTHER EXPENSES			\$44.53					\$44.53
SUBTOTAL		0.35 HR	\$45.00	\$77.64		\$1.45		\$124.08
TOTAL OPERATING EXPENSES		3.26 HR	\$134.45	\$100.94	\$43.97	\$6.76	\$30.73	\$316.85
NET OPERATING PROFIT								\$658.15
INTEREST ON OPERATING CAPITAL		(\$56.05 @ 5.50%)						\$3.08
INTEREST ON EQUIPMENT INVESTMENT								\$11.07
RETURN TO LAND AND RISK								\$643.99

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

BUDGET SUMMARY

GROSS RETURN		\$975.00	
VARIABLE OPERATING EXPENSES	\$185.17		
RETURN OVER VARIABLE EXPENSES	\$789.83		(GROSS MARGIN)
FIXED EXPENSES	\$30.73		
NET FARM INCOME	\$759.09		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$100.94		
NET OPERATING PROFIT	\$658.15		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$14.16		
RETURN TO LAND AND RISK	\$643.99		

TABLE 10. Upland cotton (picker), flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area,
 Projected 2015
 Planting dates: April 15 - June 1
 Harvesting dates: October 1 - December 31

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
COTTON LINT	\$0.90	750 LBS		\$675.00
COTTON SEED	\$0.09	1,200 LBS		\$108.00
DIRECT PAYMENT	\$0.0000	750 LBS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	750 LBS	0.85	\$87.53
TOTAL				\$870.53

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$7.55	20 LBS	\$151.00		\$151.00
NITROGEN (N)	\$0.45	32 LBS	\$14.40		\$14.40
PHOSPHATE (P205)	\$0.40	40 LBS	\$16.00		\$16.00
HERBICIDE	\$15.88	1 ACRE	\$15.88		\$15.88
HERBICIDE (CUSTOM)	\$16.96	1 ACRE	\$16.96		\$16.96
INSECTICIDE (CUSTOM) 2X	\$37.15	1 ACRE	\$37.15		\$37.15
CROP INSURANCE			\$0.98		\$0.98
PUMP WATER*		28 AC. IN.			
SUBTOTAL			\$252.37		\$252.37

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.45	\$4.91	\$1.89	\$2.74	\$10.99
PLOW	145 HP	0.48 HR		\$4.10	\$13.86	\$4.94	\$6.68	\$29.58
FLOAT	130 HP	0.16 HR		\$1.37	\$4.62	\$0.64	\$2.77	\$9.39
FERTILIZE	DEALER APPLIED							
LISTER	130 HP	0.18 HR		\$1.54	\$5.20	\$1.07	\$4.07	\$11.88
PRE-IRRIGATE		0.75 HR		\$5.63	\$7.92	\$0.00	\$0.95	\$14.50
CULT & SPRAY	96 HP	0.26 HR		\$2.22	\$3.96	\$1.06	\$2.16	\$9.40
PLANTER	130 HP	0.26 HR		\$2.22	\$7.51	\$1.46	\$8.22	\$19.41
CULTIVATOR (3X)	96 HP	0.63 HR		\$5.39	\$9.59	\$2.16	\$2.32	\$19.46
HAND HOE (CUSTOM)			\$20.00					\$20.00
DITCHER (2X)	130 HP	0.10 HR		\$0.86	\$2.89	\$0.40	\$2.04	\$6.19
IRRIGATE (3X)		1.50 HR		\$11.25	\$23.76	\$0.00	\$2.85	\$37.86
SUBTOTAL		4.49 HR	\$20.00	\$36.03	\$84.21	\$13.62	\$34.80	\$188.66

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COTTON PICKER (2X)	2-ROW	1.24 HR		\$10.60	\$26.25	\$8.87	\$123.73	\$169.44
HAUL (2X)	65 HP	1.00 HR		\$8.55	\$15.22	\$0.99	\$7.63	\$32.40
GIN COTTON (CUSTOM)			\$123.60					\$123.60
SUBTOTAL		2.24 HR	\$123.60	\$19.15	\$41.47	\$9.86	\$131.36	\$325.44

POSTHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SHREDDER	96 HP	0.14 HR		\$1.20	\$4.04	\$0.60	\$3.12	\$8.95
SUBTOTAL		0.14 HR		\$1.20	\$4.04	\$0.60	\$3.12	\$8.95

OVERHEAD EXPENSES	PRICE	QUANTITY	TOTAL
DOWNTIME		1.16 HR	\$9.88
EMPLOYEE BENEFITS			\$10.15
INSURANCE			\$1.13
LAND TAXES			\$1.45
SUPERVISION AND MANAGEMENT			\$65.45
OTHER EXPENSES			\$44.53
SUBTOTAL		1.16 HR	\$85.47

TOTAL OPERATING EXPENSES		8.03 HR	\$441.63	\$141.85	\$129.73	\$24.08	\$170.72	\$908.00
NET OPERATING PROFIT								(\$37.47)
INTEREST ON OPERATING CAPITAL		(\$155.31 @ 5.50%)						\$8.54
INTEREST ON EQUIPMENT INVESTMENT								\$11.07
RETURN TO LAND AND RISK								(\$57.09)

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

BUDGET SUMMARY			
GROSS RETURN		\$870.53	
VARIABLE OPERATING EXPENSES	\$595.43		
RETURN OVER VARIABLE EXPENSES		\$275.10	(GROSS MARGIN)
FIXED EXPENSES	\$170.72		
NET FARM INCOME		\$104.37	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$141.85		
NET OPERATING PROFIT		(\$37.47)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$19.61		
RETURN TO LAND AND RISK		(\$57.09)	

TABLE 11. Upland cotton (stripper), flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area,
 Projected 2015
 Planting dates: April 15 - June 1
 Harvesting dates: October 1 - December 31

ITEM	PRICE	YIELD	BASE						TOTAL	
GROSS RETURNS										
COTTON LINT	\$0.85	750 LBS							\$637.50	
COTTON SEED	\$0.09	1,200 LBS							\$108.00	
DIRECT PAYMENT	\$0.0000	750 LBS	0.85						\$0.00	
COUNTER CYCLICAL PAYMENT	\$0.1373	750 LBS	0.85						\$87.53	
TOTAL									\$833.03	
PURCHASED INPUTS										
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS						FIXED COST	TOTAL
SEED	\$7.55	25 LBS	\$188.75							\$188.75
NITROGEN (N)	\$0.45	32 LBS	\$14.40							\$14.40
PHOSPHATE (P205)	\$0.40	40 LBS	\$16.00							\$16.00
HERBICIDE	\$15.88	1 ACRE	\$15.88							\$15.88
HERBICIDE (CUSTOM)	\$15.82	1 ACRE	\$15.82							\$15.82
INSECTICIDE (CUSTOM) 2X	\$35.20	1 X/ACRE	\$35.20							\$35.20
CROP INSURANCE			\$0.98							\$0.98
PUMP WATER*		28 AC. IN.								
SUBTOTAL			\$287.04							\$287.04
PREHARVEST OPERATIONS										
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL		
DISC	145 HP	0.17 HR		\$1.45	\$4.91	\$1.89	\$2.74	\$10.99		
PLOW	145 HP	0.48 HR		\$4.10	\$13.86	\$4.94	\$6.68	\$29.58		
FLOAT	130 HP	0.16 HR		\$1.37	\$4.62	\$0.64	\$2.77	\$9.39		
FERTILIZE	DEALER APPLIED									
LISTER	130 HP	0.18 HR		\$1.54	\$5.20	\$1.07	\$4.07	\$11.88		
PRE-IRRIGATE		0.75 HR		\$5.63	\$7.92	\$0.00	\$0.95	\$14.50		
CULT & SPRAY	96 HP	0.26 HR		\$2.22	\$3.96	\$1.06	\$2.16	\$9.40		
PLANTER	130 HP	0.26 HR		\$2.22	\$7.51	\$1.46	\$8.22	\$19.41		
CULTIVATOR (3X)	96 HP	0.63 HR		\$5.39	\$9.59	\$2.16	\$2.32	\$19.46		
HAND HOE (CUSTOM)			\$20.00					\$20.00		
DITCHER (2X)	130 HP	0.10 HR		\$0.86	\$2.89	\$0.40	\$2.04	\$6.19		
IRRIGATE (3X)		1.50 HR		\$11.25	\$23.76	\$0.00	\$2.85	\$37.86		
SUBTOTAL		4.49 HR	\$20.00	\$36.03	\$84.21	\$13.62	\$34.80	\$188.66		
HARVEST OPERATIONS										
COTTON STRIPPER	96 HP	1.24 HR		\$10.60	\$35.80	\$6.06	\$34.33	\$86.80		
HAUL	130 HP	1.50 HR		\$12.83	\$22.84	\$1.49	\$11.45	\$48.60		
GIN COTTON (CUSTOM)			\$159.08					\$159.08		
SUBTOTAL		2.74 HR	\$159.08	\$23.43	\$58.64	\$7.55	\$45.78	\$294.47		
POSTHARVEST OPERATIONS										
SHREDDER	130 HP	0.14 HR		\$1.20	\$4.04	\$0.60	\$3.12	\$8.95		
SUBTOTAL		0.14 HR		\$1.20	\$4.04	\$0.60	\$3.12	\$8.95		
OVERHEAD EXPENSES										
DOWNTIME		1.28 HR		\$10.94				\$10.94		
EMPLOYEE BENEFITS				\$10.92				\$10.92		
INSURANCE			\$1.21					\$1.21		
LAND TAXES							\$1.45	\$1.45		
SUPERVISION AND MANAGEMENT				\$63.07				\$63.07		
OTHER EXPENSES			\$44.53					\$44.53		
SUBTOTAL		1.28 HR	\$45.74	\$84.93			\$1.45	\$132.13		
TOTAL OPERATING EXPENSES		8.65 HR	\$511.86	\$145.58	\$146.89	\$21.77	\$85.15	\$911.24		
NET OPERATING PROFIT								(\$78.22)		
INTEREST ON OPERATING CAPITAL		(\$173.88 @ 5.50%)						\$9.56		
INTEREST ON EQUIPMENT INVESTMENT								\$31.51		
RETURN TO LAND AND RISK								(\$119.29)		

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

BUDGET SUMMARY

GROSS RETURN		\$833.03	
VARIABLE OPERATING EXPENSES	\$680.51		
RETURN OVER VARIABLE EXPENSES		\$152.52	(GROSS MARGIN)
FIXED EXPENSES	\$85.15		
NET FARM INCOME		\$67.37	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$145.58		
NET OPERATING PROFIT		(\$78.22)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$41.07		
RETURN TO LAND AND RISK		(\$119.29)	

TABLE 12. Corn silage, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area,
 Projected 2015
 Planting dates: April 1 - April 15
 Harvesting dates: August 1 - August 31

ITEM	PRICE	YIELD						TOTAL				
GROSS RETURNS												
CORN FOR SILAGE	\$48.00	STANDING	25.0	TONS				\$1,200.00				
TOTAL							\$1,200.00					
PURCHASED INPUTS												
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL				
SEED	\$3.26	32 000	\$104.40					\$104.40				
NITROGEN (N)	\$0.45	200 LBS	\$90.00					\$90.00				
INSECTICIDE (CUSTOM) 2X	\$44.42	1 ACRE	\$44.42					\$44.42				
CROP INSURANCE		400 DOLLARS	\$20.00					\$20.00				
PUMP WATER*		48 AC. IN.										
SUBTOTAL							\$258.82					
PREHARVEST OPERATIONS												
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL				
DISC	145 HP	0.17 HR		\$1.45	\$4.91	\$1.89	\$2.74	\$10.99				
PLOW	145 HP	0.48 HR		\$4.10	\$13.86	\$4.94	\$6.68	\$29.58				
FLOAT	130 HP	0.16 HR		\$1.37	\$4.62	\$0.64	\$2.77	\$9.39				
FERTILIZE	DEALER APPLIED											
LISTER	130 HP	0.18 HR		\$1.54	\$5.20	\$1.07	\$4.07	\$11.88				
PRE-IRRIGATE		0.75 HR		\$5.63	\$9.05	\$0.00	\$1.09	\$15.76				
CULT & SPRAY	96 HP	0.26 HR		\$2.22	\$3.96	\$1.06	\$2.16	\$9.40				
PLANTER	130 HP	0.26 HR		\$2.22	\$7.51	\$1.46	\$8.22	\$19.41				
CULTIVATOR (2X)	96 HP	0.42 HR		\$3.59	\$6.39	\$1.44	\$1.55	\$12.97				
DITCHER (2X)	130 HP	0.10 HR		\$0.86	\$2.89	\$0.40	\$2.04	\$6.19				
IRRIGATE (5X)		2.50 HR		\$18.75	\$45.27	\$0.00	\$5.43	\$69.44				
SUBTOTAL							5.28 HR	\$41.73	\$103.65	\$12.90	\$36.74	\$195.02
OVERHEAD EXPENSES												
DOWNTIME		0.51 HR		\$4.57				\$4.57				
EMPLOYEE BENEFITS				\$7.51				\$7.51				
INSURANCE			\$0.83					\$0.83				
LAND TAXES							\$1.45	\$1.45				
SUPERVISION AND MANAGEMENT				\$88.22				\$88.22				
OTHER EXPENSES			\$44.53					\$44.53				
SUBTOTAL							0.51 HR	\$45.37	\$100.29	\$1.45	\$147.11	
TOTAL OPERATING EXPENSES			5.79 HR	\$304.18	\$142.03	\$103.65	\$12.90	\$38.19	\$600.94			
NET OPERATING PROFIT								\$599.06				
INTEREST ON OPERATING CAPITAL		(\$158.54	@	5.50%)		\$8.72				
INTEREST ON EQUIPMENT INVESTMENT								\$14.82				
RETURN TO LAND AND RISK								\$575.52				

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

BUDGET SUMMARY

GROSS RETURN		\$1,200.00	
VARIABLE OPERATING EXPENSES	\$420.73		
RETURN OVER VARIABLE EXPENSES	\$779.27	(GROSS MARGIN)	
FIXED EXPENSES	\$38.19		
NET FARM INCOME	\$741.09	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$142.03		
NET OPERATING PROFIT	\$599.06	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$23.54		
RETURN TO LAND AND RISK	\$575.52		

TABLE 13. Summary of per acre costs and returns for a 640 acre farm with above average management, Roswell-Hagerman area, Chaves County, Projected 2015

	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT	OAT HAY	PICKER COTTON	STRIPPER COTTON	CORN SILAGE
		TONS	CWT	TONS	LBS	LBS	TONS
PRIMARY YIELD		6.50	40.00	5.00	750.00	750.00	25.00
PRIMARY PRICE		\$255.00	\$255.00	\$195.00	\$0.90	\$0.85	\$48.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$87.53	\$87.53	\$0.00
SECOND INCOME		\$0.00	\$44.00	\$0.00	\$108.00	\$108.00	\$0.00
GROSS RETURN		\$1,657.50	\$510.67	\$975.00	\$870.53	\$833.03	\$1,200.00
CASH OPERATING EXPENSES							
SEED	\$180.00		\$45.00	\$51.20	\$151.00	\$188.75	\$104.40
FERTILIZER		\$64.00	\$87.50	\$38.25	\$30.40	\$30.40	\$90.00
CHEMICALS	\$13.38	\$72.59	\$19.17		\$69.99	\$66.91	\$44.42
CROP INSURANCE			\$0.98		\$0.98	\$0.98	\$20.00
OTHER PURCHASED INPUTS		\$0.20					
CANAL WATER							
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$53.43	\$28.34	\$29.76	\$20.20	\$98.04	\$115.20	\$49.33
FUEL-IRRIGATION	\$18.11	\$61.11	\$31.69	\$23.76	\$31.69	\$31.69	\$54.32
REPAIRS	\$13.37	\$6.45	\$9.53	\$6.76	\$24.08	\$21.77	\$12.90
CUSTOM CHARGES			\$34.84		\$143.60	\$179.08	
LAND TAXES		\$1.45	\$1.45	\$1.45	\$1.45	\$1.45	\$1.45
OTHER EXPENSES	\$0.45	\$45.31	\$45.02	\$45.00	\$45.66	\$45.74	\$45.37
TOTAL CASH EXPENSES	\$278.74	\$279.44	\$304.95	\$186.62	\$596.88	\$681.96	\$422.18
RETURN OVER CASH EXPENSES	(\$278.74)	\$1,378.06	\$205.72	\$788.38	\$273.65	\$151.07	\$777.82
FIXED EXPENSES	\$34.71	\$142.80	\$20.58	\$29.29	\$169.27	\$83.70	\$36.74
TOTAL EXPENSES	\$313.46	\$422.24	\$325.53	\$215.91	\$766.15	\$765.66	\$458.91
NET FARM INCOME	(\$313.46)	\$1,235.26	\$185.14	\$759.09	\$104.37	\$67.37	\$741.09
LABOR AND MANAGEMENT COSTS	\$55.95	\$169.76	\$69.78	\$100.94	\$141.85	\$145.58	\$142.03
NET OPERATING PROFIT	(\$369.41)	\$1,065.50	\$115.36	\$658.15	(\$37.47)	(\$78.22)	\$599.06
CAPITAL COSTS							
INTEREST ON OPERATING CAPITAL		\$4.76	\$5.33	\$3.08	\$8.54	\$9.56	\$8.72
INTEREST ON EQUIPMENT INVESTMENT		\$23.06	\$9.13	\$11.07	\$11.07	\$31.51	\$14.82
TOTAL CAPITAL COSTS	\$0.00	\$27.82	\$14.46	\$14.16	\$19.61	\$41.07	\$23.54
RETURN TO LAND AND RISK	(\$369.41)	\$1,037.68	\$100.90	\$643.99	(\$57.09)	(\$119.29)	\$575.52

TABLE 14. Whole farm summary, Roswell-Hagerman area, Chaves County,
Projected 2015

GROSS RETURNS		
ALFALFA HAY	300 ACRES	
CROP		\$497,250
WHEAT	51 ACRES	
CROP		\$23,800
GRAZING		\$2,244
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
SMALL GRAINS	87 ACRES	
CROP		\$84,825
UPLAND COTTON (PICKER)	51.00 ACRES	
COTTON LINT		\$34,425
COTTON SEED		\$5,508
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$4,464
UPLAND COTTON (STRIPPER)	51.00 ACRES	
COTTON LINT		\$32,513
COTTON SEED		\$5,508
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$4,464
CORN	60.00 ACRES	
CROP		\$72,000
GROSS RETURN		<u>\$767,000</u>
CASH OPERATING EXPENSES		
SEED		\$41,141
FERTILIZER		\$35,491
CHEMICALS		
CROP INSURANCE		\$1,350
OTHER PURCHASED INPUTS		\$60
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$28,817
FUEL-IRRIGATION		\$29,594
REPAIRS		\$6,925
CUSTOM CHARGES		\$18,233
LAND TAXES		\$869
OTHER EXPENSES		\$27,214
TOTAL CASH EXPENSES		<u>\$189,693</u>
RETURN OVER CASH EXPENSES		\$577,307
FIXED EXPENSES		\$41,463
TOTAL EXPENSES		\$231,156
NET FARM INCOME		\$535,845
LABOR AND MANAGEMENT COSTS		\$89,805
NET OPERATING PROFIT		\$446,040
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$3,415
INTEREST ON EQUIPMENT INVESTMENT		\$11,407
TOTAL CAPITAL COSTS		<u>\$14,822</u>
RETURN TO LAND AND RISK		<u><u>\$431,218</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$412,018	51.11%
\$3,000 /ACRE	\$373,618	20.72%
\$5,000 /ACRE	\$335,218	12.99%
\$7,000 /ACRE	\$296,818	9.46%
\$9,000 /ACRE	\$258,418	7.44%

* 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)