

TABLE 6. Alfalfa establishment, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Projected 2015  
Planting dates: August 1 - September 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<b>PURCHASED INPUTS</b>								
SEED	\$6.00	30 LBS	\$180.00					\$180.00
PUMP WATER*		6 AC. IN.						
SUBTOTAL			\$180.00					\$180.00
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	155 HP	0.14 HR		\$1.20	\$4.39	\$1.27	\$2.70	\$9.57
CHISEL	155 HP	0.20 HR		\$1.71	\$6.28	\$1.37	\$4.64	\$14.00
PLOW	155 HP	0.48 HR		\$4.10	\$15.06	\$4.97	\$12.07	\$36.21
DISC (2X)	155 HP	0.28 HR		\$2.39	\$8.79	\$2.55	\$5.41	\$19.14
DRAG (2X)	155 HP	0.30 HR		\$2.57	\$9.41	\$1.62	\$5.24	\$18.84
DRILL	93 HP	0.12 HR		\$1.03	\$1.83	\$0.32	\$2.32	\$5.50
IRRIGATE (3X)		0.30 HR		\$2.25	\$15.20	\$0.00	\$2.02	\$19.46
SUBTOTAL		1.82 HR		\$15.25	\$60.96	\$12.11	\$34.41	\$122.72
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.12 HR		\$0.98				\$0.98
EMPLOYEE BENEFITS				\$2.74				\$2.74
INSURANCE			\$0.30					\$0.30
SUPERVISION AND MANAGEMENT				\$21.72				\$21.72
SUBTOTAL		0.12	\$0.30	\$25.45				\$25.75
<b>TOTAL OPERATING EXPENSES</b>		1.94 HR	\$180.30	\$40.69	\$60.96	\$12.11	\$34.41	\$328.47

TABLE 7. Alfalfa hay, pivot sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Projected 2015  
Harvesting dates: June 1 - October 10

ITEM	PRICE	YIELD	TOTAL
<b>GROSS RETURNS</b>			
ALFALFA HAY	\$245.00	6.50 TONS (STACKED)	\$1,592.50
GRAZING	\$15.00	1.00 ACRE	\$15.00
<b>TOTAL</b>			<b>\$1,607.50</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
NITROGEN (N)	\$0.45	75 LBS	\$33.75		\$33.75
PHOSPHATE (P2O5)	\$0.40	200 LBS	\$80.00		\$80.00
INSECTICIDE	\$16.03	2 X/ACRE	\$32.05		\$32.05
ESTABLISHMENT: Principal : Interest		5 YEARS		\$65.69 \$10.05	\$65.69 \$10.05
BALING TWINE	\$1.32	56 LBS	\$0.74		\$0.74
PUMP WATER*		40 AC. IN.			
<b>SUBTOTAL</b>			<b>\$146.54</b>	<b>\$75.74</b>	<b>\$222.28</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DRAG	93 HP	0.15 HR		\$1.28	\$2.28	\$0.14	\$0.22	\$3.93
IRRIGATE (11X)		1.10 HR		\$8.25	\$101.31	\$0.00	\$13.44	\$123.00
<b>SUBTOTAL</b>		<b>1.25 HR</b>		<b>\$9.53</b>	<b>\$103.59</b>	<b>\$0.14</b>	<b>\$13.66</b>	<b>\$126.93</b>

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER (5X)	16 FT	0.55 HR		\$4.70	\$7.21	\$0.80	\$19.59	\$32.29
BALER (5X)	93 HP	0.85 HR		\$7.27	\$12.94	\$0.99	\$3.59	\$24.79
LOAD (5X)	93 HP	1.00 HR		\$8.55	\$15.22	\$24.76	\$12.89	\$61.43
<b>SUBTOTAL</b>		<b>2.40 HR</b>		<b>\$20.52</b>	<b>\$35.37</b>	<b>\$26.55</b>	<b>\$36.07</b>	<b>\$118.51</b>

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.60 HR		\$5.13				\$5.13
EMPLOYEE BENEFITS			\$5.41				\$5.41
INSURANCE		\$0.60					\$0.60
LAND TAXES						\$2.46	\$2.46
SUPERVISION AND MANAGEMENT			\$114.83				\$114.83
OTHER EXPENSES		\$89.56					\$89.56
<b>SUBTOTAL</b>	<b>0.60 HR</b>	<b>\$90.16</b>	<b>\$125.36</b>			<b>\$2.46</b>	<b>\$217.98</b>

TOTAL OPERATING EXPENSES 4.25 HR \$236.69 \$155.42 \$138.96 \$26.69 \$127.93 \$685.70

NET OPERATING PROFIT \$921.80

INTEREST ON OPERATING CAPITAL ( \$104.36 @ 5.50% ) \$5.74  
INTEREST ON EQUIPMENT INVESTMENT \$24.91

RETURN TO LAND AND RISK \$891.15

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

BUDGET SUMMARY

GROSS RETURN	\$1,607.50	
VARIABLE OPERATING EXPENSES	\$402.35	
RETURN OVER VARIABLE EXPENSES	\$1,205.15	(GROSS MARGIN)
FIXED EXPENSES	\$127.93	
NET FARM INCOME	\$1,077.22	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$155.42	
NET OPERATING PROFIT	\$921.80	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$30.65	
RETURN TO LAND AND RISK	\$891.15	

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

ITEM	PRICE	YIELD	BASE						TOTAL
<b>GROSS RETURNS</b>									
WHEAT	\$11.67	35.00 CWT							\$408.33
DIRECT PAYMENT	\$0.00	35.00 CWT	0.85						\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00								\$0.00
GRAZING	\$25.00	1.00 ACRE							\$25.00
<b>TOTAL</b>									<b>\$433.33</b>
<b>PURCHASED INPUTS</b>									
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
SEED	\$0.45	150 LBS	\$67.50					\$67.50	
ANHYDROUS (NH3)	\$0.33	125 LBS	\$40.63					\$40.63	
LIVESTOCK FAC & EQUIP							\$5.00	\$5.00	
PUMP WATER*		25 AC. IN.						\$0.00	
CROP INSURANCE	\$0.18		\$0.18					\$0.18	
<b>SUBTOTAL</b>			<b>\$108.30</b>				<b>\$5.00</b>	<b>\$113.30</b>	
<b>PREHARVEST OPERATIONS</b>									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	155 HP	0.14 HR		\$1.20	\$4.39	\$1.27	\$2.70	\$9.57	
ANHYDROUS APPL	155 HP	0.20 HR	\$7.00	\$1.71	\$6.28	\$1.08	\$3.34	\$19.40	
DISC	155 HP	0.14 HR		\$1.20	\$4.39	\$1.27	\$2.70	\$9.57	
DRILL	93 HP	0.12 HR		\$1.03	\$1.83	\$0.32	\$2.32	\$5.50	
IRRIGATE (5X)		2.50 HR		\$18.75	\$63.32	\$0.00	\$2.03	\$84.10	
<b>SUBTOTAL</b>		<b>3.10 HR</b>	<b>\$7.00</b>	<b>\$23.88</b>	<b>\$80.21</b>	<b>\$3.95</b>	<b>\$13.10</b>	<b>\$128.14</b>	
<b>HARVEST OPERATIONS</b>									
COMBINE (CUSTOM)			\$26.00					\$26.00	
<b>SUBTOTAL</b>			<b>\$26.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$26.00</b>	
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0.15 HR		\$1.28				\$1.28	
EMPLOYEE BENEFITS				\$4.30				\$4.30	
INSURANCE			\$0.48					\$0.48	
LAND TAXES							\$2.46	\$2.46	
SUPERVISION AND MANAGEMENT				\$33.13				\$33.13	
OTHER EXPENSES			\$89.56					\$89.56	
<b>SUBTOTAL</b>		<b>0.15 HR</b>	<b>\$90.03</b>	<b>\$38.71</b>			<b>\$2.46</b>	<b>\$131.21</b>	
<b>TOTAL OPERATING EXPENSES</b>		<b>3.25 HR</b>	<b>\$231.34</b>	<b>\$62.59</b>	<b>\$80.21</b>	<b>\$3.95</b>	<b>\$20.56</b>	<b>\$398.65</b>	
<b>NET OPERATING PROFIT</b>								<b>\$34.68</b>	
INTEREST ON OPERATING CAPITAL		( \$75.19 @	5.50%	)				\$4.14	
INTEREST ON EQUIPMENT INVESTMENT								\$5.33	
<b>RETURN TO LAND AND RISK</b>								<b>\$25.22</b>	

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

**BUDGET SUMMARY**

GROSS RETURN		\$433.33	
VARIABLE OPERATING EXPENSES	\$315.49		
RETURN OVER VARIABLE EXPENSES		\$117.84	(GROSS MARGIN)
FIXED EXPENSES	\$20.56		
NET FARM INCOME		\$97.28	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$62.59		
NET OPERATING PROFIT		\$34.68	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$9.47		
<b>RETURN TO LAND AND RISK</b>		<b>\$25.22</b>	

TABLE 9. White corn, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Projected 2015  
 Planting dates: April 15 - May 15  
 Harvesting dates: October 1 - November 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
CORN	\$7.50	70.00 CWT	\$525.00
GRAZING	\$20.00	1.00 ACRE	\$20.00
TOTAL			\$545.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.85	25 000	\$46.25		\$46.25
NITROGEN (N)	\$0.45	30 LBS	\$13.50		\$13.50
PHOSPHATE (P2O5)	\$0.40	70 LBS	\$28.00		\$28.00
TRACE ELEMENTS	\$0.15	65 LBS	\$9.75		\$9.75
ANHYDROUS (NH3)	\$0.33	175 LBS	\$56.88		\$56.88
INSECTICIDE (CUSTOM)	\$16.03	3 ACRE	\$48.08		\$48.08
HERBICIDE	\$9.45	1 ACRE	\$9.45		\$9.45
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
PUMP WATER*		48 AC. IN.			\$0.00
SUBTOTAL			\$211.90	\$5.00	\$216.90

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	155 HP	0.14 HR		\$1.20	\$4.39	\$1.27	\$2.70	\$9.57
CHISEL	155 HP	0.20 HR		\$1.71	\$6.28	\$1.37	\$4.64	\$14.00
ANHYDROUS APPL	155 HP	0.20 HR	\$7.00	\$1.71	\$6.28	\$1.08	\$3.34	\$19.40
DISC & SPRAY	155 HP	0.19 HR		\$1.62	\$5.96	\$1.87	\$6.48	\$15.94
LISTER	155 HP	0.12 HR		\$1.03	\$3.77	\$0.88	\$3.42	\$9.10
PLANTER	93 HP	0.17 HR		\$1.45	\$2.59	\$0.51	\$5.65	\$10.20
ROLLING CULT (3X)	93 HP	0.39 HR		\$3.33	\$5.94	\$1.82	\$2.54	\$13.63
IRRIGATE (8X)		4.00 HR		\$30.00	\$121.57	\$0.00	\$3.90	\$155.47
SUBTOTAL		5.41 HR	\$7.00	\$42.06	\$156.77	\$8.80	\$32.67	\$247.31

HARVEST OPERATIONS

COMBINE (CUSTOM)			\$23.25					\$23.25
HAUL (CUSTOM)			\$14.00					\$14.00
SUBTOTAL			\$37.25	\$0.00	\$0.00	\$0.00	\$0.00	\$37.25

OVERHEAD EXPENSES

DOWNTIME		0.27 HR		\$2.33				\$2.33
EMPLOYEE BENEFITS				\$7.57				\$7.57
INSURANCE			\$0.84					\$0.84
LAND TAXES							\$2.46	\$2.46
SUPERVISION AND MANAGEMENT				\$44.27				\$44.27
OTHER EXPENSES			\$89.56					\$89.56
SUBTOTAL		0.27 HR	\$90.40	\$54.16			\$2.46	\$147.02

TOTAL OPERATING EXPENSES 5.68 HR \$346.55 \$96.22 \$156.77 \$8.80 \$40.13 \$648.48

NET OPERATING PROFIT (\$103.48)

INTEREST ON OPERATING CAPITAL ( \$147.34 @ 5.50% ) \$8.10  
 INTEREST ON EQUIPMENT INVESTMENT \$12.62

RETURN TO LAND AND RISK (\$124.20)

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

BUDGET SUMMARY

GROSS RETURN		\$545.00	
VARIABLE OPERATING EXPENSES	\$512.12		
RETURN OVER VARIABLE EXPENSES		\$32.88	(GROSS MARGIN)
FIXED EXPENSES	\$40.13		
NET FARM INCOME		(\$7.25)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$96.22		
NET OPERATING PROFIT		(\$103.48)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$20.73		
RETURN TO LAND AND RISK		(\$124.20)	

TABLE 10. Upland cotton (stripper), flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Projected 2015  
 Planting dates: April 15 - May 15  
 Harvesting dates: November 1 - January 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
COTTON LINT	\$0.85	1,000.00 LBS		\$850.00
COTTON SEED	\$0.09	1,600.00 LBS		\$144.00
DIRECT PAYMENT	\$0.0000	1,000.00 LBS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.0000	720.00 LBS	0.85	\$0.00
<b>TOTAL</b>				<b>\$994.00</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$7.55	25 LBS	\$188.75		\$188.75
NITROGEN (N)	\$0.45	72 LBS	\$32.40		\$32.40
PHOSPHATE (P2O5)	\$0.40	184 LBS	\$73.60		\$73.60
HERBICIDE (CUSTOM)	\$19.93	1 X/ACRE	\$19.93		\$19.93
INSECTICIDE (CUSTOM)	\$18.91	1 X/ACRE	\$18.91		\$18.91
CROP INSURANCE	\$0.59	FCIC	\$0.59		\$0.59
PUMP WATER*		30 AC. IN.			
<b>SUBTOTAL</b>			<b>\$334.18</b>		<b>\$334.18</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	155 HP	0.14 HR		\$1.20	\$4.39	\$1.27	\$2.70	\$9.57
PLOW	155 HP	0.48 HR		\$4.10	\$15.06	\$4.97	\$12.07	\$36.21
DISC (2X)	155 HP	0.28 HR		\$2.39	\$8.79	\$2.55	\$5.41	\$19.14
FLOAT (2X)	93 HP	0.32 HR		\$2.74	\$4.87	\$0.31	\$0.99	\$8.90
LISTER	155 HP	0.12 HR		\$1.03	\$3.77	\$0.88	\$3.42	\$9.10
PLANTER	155 HP	0.17 HR		\$1.45	\$5.34	\$1.26	\$8.37	\$16.42
ROLLING CULT. (4X)	93 HP	0.52 HR		\$4.45	\$7.92	\$2.43	\$3.38	\$18.17
HAND HOE (CUSTOM)			\$25.00					\$25.00
IRRIGATE (6X)		3.00 HR		\$22.50	\$75.98	\$0.00	\$2.44	\$100.92
<b>SUBTOTAL</b>		<b>5.03 HR</b>	<b>\$25.00</b>	<b>\$39.86</b>	<b>\$126.12</b>	<b>\$13.67</b>	<b>\$38.78</b>	<b>\$243.42</b>

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COTTON STRIPPER	93 HP	0.62 HR		\$5.30	\$9.44	\$3.49	\$49.44	\$67.66
HAUL	93 HP	1.00 HR		\$8.55	\$15.22	\$0.99	\$6.87	\$31.64
GIN COTTON (CUSTOM)			\$204.40					\$204.40
<b>SUBTOTAL</b>		<b>1.62 HR</b>	<b>\$204.40</b>	<b>\$13.85</b>	<b>\$24.66</b>	<b>\$4.48</b>	<b>\$56.31</b>	<b>\$303.70</b>

POST HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SHREDDER	93 HP	0.29 HR		\$2.48	\$4.41	\$0.33	\$2.30	\$9.53

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.91 HR		\$7.74				\$7.74
EMPLOYEE BENEFITS			\$9.67				\$9.67
INSURANCE		\$1.07					\$1.07
LAND TAXES						\$2.46	\$2.46
SUPERVISION AND MANAGEMENT			\$75.67				\$75.67
OTHER EXPENSES		\$89.56					\$89.56
<b>SUBTOTAL</b>	<b>0.91 HR</b>	<b>\$90.63</b>	<b>\$93.07</b>			<b>\$2.46</b>	<b>\$186.16</b>

<b>TOTAL OPERATING EXPENSES</b>	<b>7.85 HR</b>	<b>\$654.21</b>	<b>\$149.26</b>	<b>\$155.19</b>	<b>\$18.48</b>	<b>\$99.85</b>	<b>\$1,076.99</b>
---------------------------------	----------------	-----------------	-----------------	-----------------	----------------	----------------	-------------------

<b>NET OPERATING PROFIT</b>							<b>(\$82.99)</b>
-----------------------------	--	--	--	--	--	--	------------------

INTEREST ON OPERATING CAPITAL	( \$204.46 @ 5.50% )						\$11.25
INTEREST ON EQUIPMENT INVESTMENT							\$36.54

<b>RETURN TO LAND AND RISK</b>							<b>(\$130.77)</b>
--------------------------------	--	--	--	--	--	--	-------------------

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

**BUDGET SUMMARY**

GROSS RETURN	\$994.00		
VARIABLE OPERATING EXPENSES	\$827.88		
RETURN OVER VARIABLE EXPENSES	\$166.12	(GROSS MARGIN)	
FIXED EXPENSES	\$99.85		
NET FARM INCOME	\$66.27	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$149.26		
NET OPERATING PROFIT	(\$82.99)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$47.78		
RETURN TO LAND AND RISK	(\$130.77)		

TABLE 11. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Projected 2015  
 Planting dates: May 1 - June 15  
 Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
GRAIN SORGHUM	\$7.06	50.00 CWT		\$353.21
DIRECT PAYMENT	\$0.00	50.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$10.00	1 ACRE		\$10.00
<b>TOTAL</b>				<b>\$363.21</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.04	12 LBS	\$12.48		\$12.48
ANHYDROUS (NH3)	\$0.33	150 LBS	\$48.75		\$48.75
NITROGEN (N)	\$0.45	18 LBS	\$8.10		\$8.10
PHOSPHATE (P2O5)	\$0.40	46 LBS	\$18.40		\$18.40
INSECTICIDE	\$14.17	1 ACRE	\$14.17		\$14.17
HERBICIDE	\$12.26	1 ACRE	\$12.26		\$12.26
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
PUMP WATER		36 AC. IN.	\$0.00		\$0.00
CROP INSURANCE	\$1.96				\$1.96
<b>SUBTOTAL</b>			<b>\$114.16</b>	<b>\$5.00</b>	<b>\$121.12</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	155 HP	0.14 HR		\$1.20	\$4.39	\$1.27	\$2.70	\$9.57
CHISEL	155 HP	0.20 HR		\$1.71	\$6.28	\$1.37	\$4.64	\$14.00
ANHYDROUS APPL	155 HP	0.20 HR	\$7.00	\$1.71	\$6.28	\$1.08	\$3.34	\$19.40
DISC & SPRAY	155 HP	0.19 HR		\$1.62	\$5.96	\$1.87	\$6.48	\$15.94
LISTER	155 HP	0.12 HR		\$1.03	\$3.77	\$0.88	\$3.42	\$9.10
PLANTER	155 HP	0.17 HR		\$1.45	\$5.34	\$1.26	\$8.37	\$16.42
ROLLING CULT (3X)	93 HP	0.39 HR		\$3.33	\$5.94	\$1.82	\$2.54	\$13.63
IRRIGATE (6X)		3.00 HR		\$25.65	\$91.18	\$0.00	\$2.92	\$119.75
<b>SUBTOTAL</b>		<b>4.41 HR</b>	<b>\$7.00</b>	<b>\$37.71</b>	<b>\$129.13</b>	<b>\$9.56</b>	<b>\$34.42</b>	<b>\$217.81</b>

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE (CUSTOM)	14 FT SP		\$15.00					\$15.00
<b>SUBTOTAL</b>		<b>0.00 HR</b>	<b>\$15.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$15.00</b>

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	1.10 HR		\$9.43				\$9.43
EMPLOYEE BENEFITS			\$6.79				\$6.79
INSURANCE		\$0.75					\$0.75
LAND TAXES						\$2.46	\$2.46
SUPERVISION AND MANAGEMENT			\$27.63				\$27.63
OTHER EXPENSES		\$89.56					\$89.56
<b>SUBTOTAL</b>	<b>1.10 HR</b>	<b>\$90.31</b>	<b>\$43.84</b>			<b>\$2.46</b>	<b>\$136.61</b>

<b>TOTAL OPERATING EXPENSES</b>	<b>5.51 HR</b>	<b>\$226.47</b>	<b>\$81.55</b>	<b>\$129.13</b>	<b>\$9.56</b>	<b>\$41.87</b>	<b>\$490.54</b>
---------------------------------	----------------	-----------------	----------------	-----------------	---------------	----------------	-----------------

<b>NET OPERATING PROFIT</b>							<b>(\$127.33)</b>
-----------------------------	--	--	--	--	--	--	-------------------

INTEREST ON OPERATING CAPITAL	( \$95.23 @ 5.50% )						\$5.24
INTEREST ON EQUIPMENT INVESTMENT							\$13.01

<b>RETURN TO LAND AND RISK</b>							<b>(\$145.58)</b>
--------------------------------	--	--	--	--	--	--	-------------------

**BUDGET SUMMARY**

GROSS RETURN		\$363.21	
VARIABLE OPERATING EXPENSES	\$365.16		
RETURN OVER VARIABLE EXPENSES		(\$1.95)	(GROSS MARGIN)
FIXED EXPENSES	\$41.87		
NET FARM INCOME		(\$43.82)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$81.55		
NET OPERATING PROFIT		(\$125.37)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$18.25		
RETURN TO LAND AND RISK		(\$143.62)	

TABLE 12. Summary of per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Projected 2015

	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT	WHITE CORN	STRIPPER COTTON	GRAIN SORGHUM
		TONS	CWT	CWT	LBS	CWT
PRIMARY YIELD		6.50	35.00	70.00	1,000.00	50.00
PRIMARY PRICE		\$245.00	\$11.67	\$27.50	\$0.85	\$7.06
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME		\$15.00	\$25.00	\$20.00	\$144.00	\$10.00
GROSS RETURN		\$1,607.50	\$433.33	\$545.00	\$994.00	\$363.21
CASH OPERATING EXPENSES						
SEED	\$180.00		\$67.50	\$46.25	\$188.75	\$12.48
FERTILIZER		\$145.80	\$40.63	\$108.13	\$32.40	\$75.25
CHEMICALS				\$57.52	\$38.84	\$26.43
CROP INSURANCE			\$0.18		\$0.59	\$1.96
OTHER PURCHASED INPUTS		\$0.74			\$73.60	
CANAL WATER						
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$45.76	\$37.66	\$16.89	\$35.20	\$79.21	\$37.95
FUEL-IRRIGATION	\$15.20	\$101.31	\$63.32	\$121.57	\$75.98	\$91.18
REPAIRS	\$12.11	\$26.69	\$3.95	\$8.80	\$18.48	\$9.56
CUSTOM CHARGES			\$33.00	\$44.25	\$229.40	\$22.00
LAND TAXES		\$2.46	\$2.46	\$2.46	\$2.46	\$2.46
OTHER EXPENSES	\$0.30	\$90.16	\$90.03	\$90.40	\$90.63	\$90.31
TOTAL CASH EXPENSES	\$253.37	\$404.81	\$317.95	\$514.58	\$830.34	\$369.58
RETURN OVER CASH EXPENSES	(\$253.37)	\$1,202.69	\$115.38	\$30.42	\$163.66	(\$6.36)
FIXED EXPENSES	\$34.41	\$125.48	\$18.10	\$37.67	\$97.39	\$39.42
TOTAL EXPENSES	\$287.77	\$530.28	\$336.05	\$552.25	\$927.73	\$408.99
NET FARM INCOME	(\$287.77)	\$1,077.22	\$97.28	(\$7.25)	\$66.27	(\$45.78)
LABOR AND MANAGEMENT COSTS	\$40.69	\$155.42	\$62.59	\$96.22	\$149.26	\$81.55
NET OPERATING PROFIT	(\$328.47)	\$921.80	\$34.68	(\$103.48)	(\$82.99)	(\$127.33)
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL		\$5.74	\$4.14	\$8.10	\$11.25	\$5.24
INTEREST ON EQUIPMENT INVESTMENT		\$24.91	\$5.33	\$12.62	\$36.54	\$13.01
TOTAL CAPITAL COSTS	\$0.00	\$30.65	\$9.47	\$20.73	\$47.78	\$18.25
RETURN TO LAND AND RISK	(\$328.47)	\$891.15	\$25.22	(\$124.20)	(\$130.77)	(\$145.58)

TABLE 13. Whole farm summary, Dell City area, Otero County,  
Projected 2015

GROSS RETURNS		
ALFALFA HAY	200.00 ACRES	
CROP		\$321,500
WHEAT	280.00 ACRES	
CROP		\$114,333
GRAZING		\$7,000
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
WHITE CORN	50.00 ACRES	
CROP		\$26,250
GRAZING		\$1,000
COTTON	84.50 ACRES	
LINT		\$71,825
SEED		\$12,168
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	25.50 ACRES	
CROP		\$9,007
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAZING		\$255
GROSS RETURN		<u>\$563,338</u>
CASH OPERATING EXPENSES		
SEED		\$47,380
FERTILIZER		\$50,598
CHEMICALS		\$6,832
CROP INSURANCE		\$266
OTHER PURCHASED INPUTS		\$6,366
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$24,198
FUEL-IRRIGATION		\$53,651
REPAIRS		\$9,355
CUSTOM CHARGES		\$31,398
LAND TAXES		\$1,572
OTHER EXPENSES		\$57,739
TOTAL CASH EXPENSES		<u>\$289,356</u>
RETURN OVER CASH EXPENSES		\$273,983
FIXED EXPENSES		\$30,036
TOTAL EXPENSES		\$319,391
NET FARM INCOME		\$243,947
LABOR AND MANAGEMENT COSTS		\$70,351
NET OPERATING PROFIT		\$173,596
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$3,795
INTEREST ON EQUIPMENT INVESTMENT		\$10,524
TOTAL CAPITAL COSTS		<u>\$14,319</u>
RETURN TO LAND AND RISK		<u>\$159,277</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$149,677	35.99%
\$750 /ACRE	\$144,877	27.03%
\$1,000 /ACRE	\$140,077	21.64%
\$1,250 /ACRE	\$135,277	18.04%
\$1,500 /ACRE	\$130,477	15.47%

\* 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)