ITEM GROSS RETURNS ALFALFA HAY	PRICE	YIELD						TOTAL
	\$245.00	6.50 TONS (S	TACKED)					\$1,592.50
								¢4 500 50
TOTAL								\$1,592.50
			PURCHASED				FIXED	
PURCHASED INPUTS	PRICE	QUANTITY	INPUTS				COST	ΤΟΤΑΙ
SEED	\$6.00	20 LBS	\$120.00					\$120.00
FERTILIZER (16-20-0)	\$0.32	200 LBS	\$64.00					\$64.00
HERBICIDE	\$0.00	1 ACRE	\$0.00					\$0.00
PUMP WATER*		42 AC. IN.						
SUBTOTAL			\$184.00					\$184.00
	POWER	ACCOMPLISHMENT	PURCHASED		FUEL &		FIXED	
PREHARVEST OPERATIONS	UNIT	RATE	INPUTS	LABOR	LUBE	REPAIRS	COST	ΤΟΤΑΙ
DISC	145 HP	0.17 HR		\$1.28	\$4.91	\$1.15	\$2.11	\$9.45
PLOW	145 HP	0.48 HR		\$3.60	\$13.86	\$4.29	\$7.17	\$28.92
FLOAT	70 HP	0.16 HR		\$1.20	\$3.41	\$0.15	\$0.76	\$5.53
PLANE (3X)	145 HP	0.57 HR		\$4.28	\$16.46	\$2.33	\$12.23	\$35.28
DISC (2X)	145 HP	0.34 HR		\$2.55	\$9.82	\$2.30	\$4.23	\$18.89
FLOAT (2X)	70 HP	0.32 HR		\$2.40	\$6.82	\$0.31	\$1.52	\$11.05
DRILL (2X)	70 HP	0.42 HR		\$3.15	\$8.95	\$0.84	\$8.49	\$21.44
IRRIGATE (6X)		1.50 HR		\$11.25	\$44.90	\$0.00	\$35.28	\$91.43
SUBTOTAL		3.96 HR		\$29.70	\$109.13	\$11.36	\$71.80	\$221.99
HARVEST OPERATIONS								
SWATHER (3X)	16 FT	0.33 HR		\$2.48	\$4.32	\$0.48	\$7.33	\$14.61
RAKE	40 HP	0.05 HR		\$0.38	\$0.47	\$0.08	\$0.41	\$1.33
BALER (3X)	145 HP	0.75 HR		\$5.63	\$21.65	\$3.14	\$8.20	\$38.62
BALEWAGON (3X)	SP	0.60 HR		\$4.50	\$11.63	\$13.39	\$4.56	\$34.08
SUBTOTAL		1.73 HR		\$12.98	\$38.07	\$17.09	\$20.50	\$88.64
OVERHEAD EXPENSES								
DOWNTIME		0.00 HR		\$0.00				\$0.00
EMPLOYEE BENEFITS				\$7.68				\$7.68
INSURANCE			\$0.03					\$0.03
SUPERVISION AND MANAGEMENT				\$111.68				\$111.68
SUBTOTAL		0.00 HR	\$0.03	\$119.36				\$119.40
TOTAL OPERATING EXPENSES		5.69 HR	\$184.03	\$162.04	\$147.20	\$28.45	\$92.30	\$614.02

TABLE 6. Alfalfa establishment, sprinkler-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area, Projected 2015

\$978.48

INTEREST ON EQUIPMENT INVESTMENT

RETURN TO LAND AND RISK

	BUDGET	SUMMARY	
GROSS RETURN		\$1,592.50	
VARIABLE OPERATING EXPENSES	\$359.68		
RETURN OVER VARIABLE EXPENSES		\$1,232.82	(GROSS MARGIN)
FIXED EXPENSES	\$92.30		
NET FARM INCOME		\$1,140.52	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$162.04		· ·
NET OPERATING PROFIT		\$978.48	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$41.95		
RETURN TO LAND AND RISK		\$936.54	

Projected 2015 Harvesting Dates: May	/ 5 - November 1			Ũ	0		·	
ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS ALFALFA HAY GRAZING	\$245.00 \$40.00	6.50 TONS (S	STACKED)					\$1,592.50 \$40.00
TOTAL								\$1,632.50
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
INSECTICIDE (CUSTOM) HERBICIDE (CUSTOM) INSECT SCOUTING FERTILIZER (5-26-30) WIRE DRYING AGENT (AGRI-DRY) ESTABLISHMENT: Principal : Interest PUMP WATER*	\$0.00 \$0.00 \$5.25 \$0.45 \$3.12 \$8.26	2 X/ACRE 1 X/ACRE 1 ACRE 200 LBS 56 LBS 1 /TON 5 YEARS 48 AC. IN.	\$0.00 \$0.00 \$5.25 \$90.00 \$173.80 \$53.66				\$187.31 \$39.82	\$0.00 \$0.00 \$5.25 \$90.00 \$173.80 \$53.66 \$187.31 \$39.82
SUBTOTAL			\$322.71				\$227.13	\$549.84
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (6X)		1.50 HR		\$11.25	\$51.32	\$0.00	\$40.32	\$102.89
SUBTOTAL		1.50 HR		\$11.25	\$51.32	\$0.00	\$40.32	\$102.89
HARVEST OPERATIONS								
SWATHER (5X) RAKE (5X) BALER (5X) BALE WAGON (5X) SUBTOTAL	16 FT SP 40 HP 96 HP SP	0.55 HR 0.25 HR 1.25 HR 1.00 HR		\$4.13 \$1.88 \$9.38 \$7.50 \$22.88	\$7.21 \$2.34 \$26.64 \$19.38 \$55.57	\$0.80 \$0.38 \$1.46 \$22.32 \$24.95	\$12.21 \$2.04 \$3.93 \$7.61 \$25.79	\$24.34 \$6.63 \$41.41 \$56.80 \$129.18
OVERHEAD EXPENSES				-			-	
DOWNTIME EMPLOYEE BENEFITS INSURANCE LAND TAXES SUPERVISION AND MANAGEMENT OTHER EXPENSES	Т	0.00 HR	\$0.02 \$58.37	\$0.00 \$6.14 \$114.45			\$2.12	\$0.00 \$6.14 \$0.02 \$2.12 \$114.45 \$58.37
SUBTOTAL		0.00 HR	\$58.39	\$120.59			\$2.12	\$181.10
TOTAL OPERATING EXPENSES		4.55 HR	\$381.11	\$154.72	\$106.89	\$24.95	\$295.35	\$963.01

TABLE 7. Alfalfa hay, sprinkler-irrigated, budgeted per acre costs and returns for a 500 acre farm withabove average management, Artesia-Lake Arthur area, Projected 2015

NET OPERATING PROFIT

INTEREST ON OPERATING CAPITAL INTEREST ON EQUIPMENT INVESTMENT	(\$180.90	@	7.50%)	\$13.57 \$22.14
RETURN TO LAND AND RISK						\$633.78
* Pump water costs are shown under irrigation ir	• •	erations sectio SUMMARY	n.			
	DODGET	OOMINIAR				
GROSS RETURN		\$1,632.50				
VARIABLE OPERATING EXPENSES	\$512.94					
RETURN OVER VARIABLE EXPENSES		\$1,119.56	(GROSS	S MARGIN)		
FIXED EXPENSES	\$295.35					
NET FARM INCOME		\$824.21	(RETUR	N TO CAPITAL,	LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$154.72					
NET OPERATING PROFIT		\$669.49	(RETUR	N TO CAPITAL,	LAND & RISK)	
CAPITAL COSTS	\$35.71					
RETURN TO LAND AND RISK		\$633.78				

Projected 2015 Planting dates: Augu Harvesting dates: Ju	•	0								
ITEM	PRICE		YIEL)						ΤΟΤΑ
GROSS RETURNS BARLEY DIRECT PAYMENT COUNTER CYCLICAL PAYMENT GRAZING	\$6.12 \$0.00 \$0.00 \$40.00		35.00 35.00 35.00	CWT	0.85 0.85					\$214.20 \$0.00 \$0.00 \$40.00
TOTAL										\$254.2
PURCHASED INPUTS	PRICE		QUANT	ITY	PURCHASED INPUTS				FIXED COST	TOT
SEED	\$0.47		110		\$51.70					\$51.7
NITROGEN (N)	\$0.45		150	LBS	\$67.50					\$67.5
INSECTICIDE (CUSTOM) PUMP WATER*	\$0.00			X/ACRE AC. IN.	\$0.00					\$0.0
CROP INSURANCE	\$5.88		20	A0. IN.	\$5.88				_	\$5.8
SUBTOTAL					\$125.08					\$125.0
PREHARVEST OPERATIONS	POWER UNIT		ACCOMPLIS RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	тоти
PLOW	145 HP		0.48	HR		\$3.60	\$13.86	\$4.29	\$7.17	\$28.9
DISC (2X)	145 HP		0.34			\$2.55	\$9.82	\$2.30	\$4.23	\$18.8
FERTILIZE I DRILL	DEALER APPLIED 70 HP		0.21	HR		\$1.58	\$4.48	\$0.42	\$4.25	\$10.7
IRRIGATE (4X)			1.00			\$7.50	\$29.94	\$0.00	\$23.52	\$60.9
SUBTOTAL		-	2.03	HR		\$15.23	\$58.09	\$7.01	\$39.16	\$119.4
HARVEST OPERATIONS										
COMBINE (CUSTOM) HAUL (CUSTOM)					\$17.91 \$7.00					\$17.9 \$7.0
SUBTOTAL		-			\$24.91					\$24.9
OVERHEAD EXPENSES										
DOWNTIME			0.00	HR		\$0.00				\$0.0
EMPLOYEE BENEFITS					\$0.01	\$2.74				\$2.7 \$0.0
LAND TAXES					4 0101				\$2.12	\$2.1
SUPERVISION AND MANAGEME OTHER EXPENSES	NT				\$58.37	\$17.88				\$17.8 \$58.3
SUBTOTAL		-	0.00	HR	\$58.38	\$20.62			\$2.12	\$81.1
TOTAL OPERATING EXPENSES		-	2.03	HR	\$208.37	\$35.85	\$58.09	\$7.01	\$41.28	\$350.5
NET OPERATING PROFIT										(\$96.3
INTEREST ON OPERATING CAP INTEREST ON EQUIPMENT INVE		(\$80.89	@	7.50%)				\$6.0 \$11.9
RETURN TO LAND AND RISK										(\$114.3
* Pump water costs are shown unc	der irrigation in the pr	eharvest ope BUDGET S		n.						
GROSS RETURN			\$254.20							
VARIABLE OPERATING EXPENSE		\$273.47								
RETURN OVER VARIABLE EXPENS FIXED EXPENSES	SES	\$41.28	(\$19.27)	(GROS	S MARGIN)					
NET FARM INCOME	г		(\$60.55)	(RETUI	RN TO CAPITAL,	LABOR, LAN	ND & RISK)			
LABOR AND MANAGEMENT COST NET OPERATING PROFIT	I	\$35.85	(\$96.39)	(RETUI	RN TO CAPITAL,	LAND & RIS	K)			
CAPITAL COSTS		\$17.97								

TABLE 9. Oat hay, sprinkler-irrigated, b Projected 2015 Planting dates: February 1 Harvesting Dates: June 1	I - February 28	and retur	ns for a 500 acre fa	rm with above ave	erage manage	ement, Artesi	a-Lake Arthur	area,	
ITEM	PRICE		YIELD						TOTAL
GROSS RETURNS OAT HAY	\$195.00		3.50 TONS (STACKED)					\$682.50
TOTAL									\$682.50
PURCHASED INPUTS	PRICE		QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED FERTILIZER (16-20-0) PUMP WATER*	\$0.38 \$0.40		100 LBS 150 LBS 28 AC. IN.	\$38.00 \$60.00					\$38.00 \$60.00
SUBTOTAL				\$98.00				-	\$98.00
PREHARVEST OPERATIONS	POWER UNIT	A	CCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW DISC (2X) DRILL IRRIGATE (4X)	145 HP 145 HP 70 HP		0.48 HR 0.34 HR 0.21 HR 1.00 HR		\$3.60 \$2.55 \$1.58 \$7.50	\$13.86 \$9.82 \$4.48 \$29.94	\$4.29 \$2.30 \$0.42 \$0.00	\$7.17 \$4.23 \$4.25 \$23.52	\$28.92 \$18.89 \$10.72 \$60.95
SUBTOTAL			2.03 HR		\$15.23	\$58.09	\$7.01	\$39.16	\$119.48
HARVEST OPERATIONS									
SWATHER BALER BALE WAGON	14 FT 145 HP S. P.		0.16 HR 0.25 HR 0.20 HR		\$1.20 \$1.88 \$1.50	\$2.10 \$7.22 \$3.88	\$0.23 \$1.05 \$4.46	\$3.55 \$2.73 \$1.52	\$7.08 \$12.87 \$11.36
SUBTOTAL			0.61 HR		\$4.58	\$13.19	\$5.74	\$7.81	\$31.32
OVERHEAD EXPENSES									
DOWNTIME EMPLOYEE BENEFITS INSURANCE LAND TAXES SUPERVISION AND MANAGEMENT			0.00 HR	\$0.01	\$0.00 \$3.56 \$47.88			\$2.12	\$0.00 \$3.56 \$0.01 \$2.12 \$47.88
OTHER EXPENSES				\$58.37	• • • • • •				\$58.37
SUBTOTAL			0.00 HR	\$58.38	\$51.44			\$2.12	\$111.94
TOTAL OPERATING EXPENSES			2.64 HR	\$156.38	\$71.24	\$71.28	\$12.75	\$49.09	\$360.74
NET OPERATING PROFIT									\$321.76
INTEREST ON OPERATING CAPITAL INTEREST ON EQUIPMENT INVESTM	ENT	(\$66.85 @	7.50%)				\$5.01 \$17.67
									¢200.07

RETURN TO LAND AND RISK

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

GROSS RETURN		\$682.50	
VARIABLE OPERATING EXPENSES	\$240.41		
RETURN OVER VARIABLE EXPENSES		\$442.09	(GROSS MARGIN)
FIXED EXPENSES	\$49.09		
NET FARM INCOME		\$393.00	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$71.24		
NET OPERATING PROFIT		\$321.76	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$22.69		
RETURN TO LAND AND RISK		\$299.07	

Projected 2015 Planting dates: April 15 - Harvesting dates: Octobe								
ITEM	PRICE	YIELD	BASE					TOTAL
GROSS RETURNS								
COTTON LINT	\$0.90	700 LBS						\$630.00
COTTON SEED	\$0.09	1,120.00 LBS						\$100.80
DIRECT PAYMENT	\$0.0000	700 LBS	0.85					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	700 LBS	0.85					\$81.69
TOTAL							-	\$812.49
			PURCHASED				FIXED	
PURCHASED INPUTS	PRICE	QUANTITY	INPUTS				COST	TOTAL
	4		• · · • • • •					.
SEED	\$7.55	15 LBS	\$113.25					\$113.25
FOLIAR FERTILIZER	\$4.80	1 X/ACRE	\$4.80					\$4.80
INSECT SCOUTING	\$5.25	1 ACRE	\$5.25					\$5.25
HERBICIDE (CUSTOM)	\$0.00	1 X/ACRE	\$0.00					\$0.00
INSECTICIDE (CUSTOM)	\$0.00	3 X/ACRE	\$0.00					\$0.00
CROP INSURANCE			\$1.64					\$1.64
PUMP WATER*		28 AC. IN.	·					·
SUBTOTAL			\$124.94				-	\$124.94
	POWER	ACCOMPLISHMENT	PURCHASED		FUEL &		FIXED	
PREHARVEST OPERATIONS	UNIT	RATE	INPUTS	LABOR	LUBE	REPAIRS	COST	TOTAL
DISC	145 HP	0.17 HR		\$1.28	\$4.91	\$1.15	\$2.11	\$9.45
PLOW	145 HP	0.48 HR		\$3.60	\$13.86	\$4.29	\$7.17	\$28.92
DISC (2X)	145 HP	0.34 HR		\$2.55	\$9.82	\$2.30	\$4.23	\$18.89
FLOAT	145 HP	0.16 HR		\$1.20	\$4.62	\$0.64	\$1.72	\$8.17
PRE-IRRIGATE	14511							
		0.25 HR		\$1.88	\$7.48	\$0.00	\$5.88	\$15.24
CULTIVATOR	65 HP	0.21 HR		\$1.58	\$2.55	\$1.57	\$1.79	\$7.49
PLANTER	70 HP	0.26 HR		\$1.95	\$5.54	\$0.67	\$5.92	\$14.08
SLED	70 HP	0.15 HR		\$1.13	\$3.20	\$0.18	\$0.90	\$5.40
CULTIVATIR (3X)	65 HP	0.63 HR		\$4.73	\$7.66	\$4.72	\$5.38	\$22.48
HAND HOE (CUSTOM)			\$20.00					\$20.00
IRRIGATE (3X)		0.75 HR		\$5.63	\$22.45	\$0.00	\$17.64	\$45.72
SUBTOTAL		3.40 HR	\$20.00	\$25.50	\$82.09	\$15.52	\$52.73	\$195.83
HARVEST OPERATIONS								
COTTON PICKER (2X)	2-ROW	0.74 HR		\$5.55	\$15.66	\$12.68	\$185.24	\$219.13
HAUL (2X)	65 HP	1.00 HR		\$7.50	\$12.16	\$1.32	\$6.77	\$27.74
GIN COTTON (CUSTOM)	0011		\$104.30	<i>QH</i> OO	<i><i><i>ϕ</i></i>¹<i>L</i>110</i>	¢1102	<i>Q</i> OIT	\$104.30
SUBTOTAL		1.74 HR	\$104.30	\$13.05	\$27.82	\$14.00	\$192.00	\$351.18
POSTHARVEST OPERATIONS								
SHREDDER	70 HP	0.14 HR		\$1.05	\$2.98	\$0.19	\$2.99	\$7.22
SUBTOTAL		0.14 HR		\$1.05	\$2.98	\$0.19	\$2.99	\$7.22

TABLE 10. Upland cotton (picker), sprinkler-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area,

OVERHEAD EXPENSES

DOWNTIME EMPLOYEE BENEFITS INSURANCE LAND TAXES SUPERVISION AND MANAGEMENT OTHER EXPENSES	0.00 HR	\$0.03 \$58.37	\$0.00 \$7.13 \$57.05			\$2.12	\$0.00 \$7.13 \$0.03 \$2.12 \$57.05 \$58.37
SUBTOTAL	0.00 HR	\$58.40	\$64.18			\$2.12	\$124.70
TOTAL OPERATING EXPENSES	5.28 HR	\$307.64	\$103.78	\$112.89	\$29.71	\$249.84	\$803.86
NET OPERATING PROFIT							\$8.63
INTEREST ON OPERATING CAPITAL INTEREST ON EQUIPMENT INVESTMENT	(\$91.15 @	7.50%)				\$6.84 \$125.27
RETURN TO LAND AND RISK							(\$123.47)

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

GROSS RETURN	\$812.49	
VARIABLE OPERATING EXPENSES	\$450.24	
RETURN OVER VARIABLE EXPENSES FIXED EXPENSES	\$362.25 (GROSS MARGIN) \$249.84	
NET FARM INCOME	\$112.41 (RETURN TO CAPITAL, LABOR, LAND & RISK)	
aes	\$103.78	
NET OPERATING PROFIT	\$8.63 (RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$132.10	
RETURN TO LAND AND RISK	(\$123.47)	

Projected 2015 Planting dates: April 15 - Harvesting dates: Octobe	-							
ITEM	PRICE	YIELD	BASE					TOTAL
GROSS RETURNS COTTON LINT COTTON SEED DIRECT PAYMENT COUNTER CYCLICAL PAYMENT	\$0.85 \$0.09 \$0.0000 \$0.1373	700 LBS 1,120 LBS 700 LBS 700 LBS	0.85 0.85					\$595.00 \$100.80 \$0.00 \$81.69
TOTAL							-	\$777.49
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED FOLIAR FERTILIZER INSECT SCOUTING HERBICIDE (CUSTOM) INSECTICIDE (CUSTOM) CROP INSURANCE PUMP WATER*	\$7.55 \$4.80 \$5.25 \$0.00 \$0.00	20 LBS 1 X/ACRE 1 ACRE 1 X/ACRE 3 X/ACRE FCIC 28 AC. IN.	\$151.00 \$4.80 \$5.25 \$0.00 \$0.00 \$1.19					\$151.00 \$4.80 \$5.25 \$0.00 \$0.00 \$1.19
SUBTOTAL			\$162.24				-	\$162.24
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC PLOW DISC (2X) FLOAT PRE-IRRIGATE CULTIVATOR PLANTER SLED CULTIVATOR (3X) HAND HOE (CUSTOM) IRRIGATE (3X) SUBTOTAL HARVEST OPERATIONS	145 HP 145 HP 145 HP 145 HP 65 HP 70 HP 70 HP 65 HP	0.17 HR 0.48 HR 0.34 HR 0.16 HR 0.25 HR 0.21 HR 0.26 HR 0.15 HR 0.63 HR 0.75 HR 3.40 HR	\$20.00	\$1.28 \$3.60 \$2.55 \$1.20 \$1.88 \$1.58 \$1.95 \$1.13 \$4.73 \$5.63 \$25.50	\$4.91 \$13.86 \$9.82 \$4.62 \$7.48 \$2.55 \$5.54 \$3.20 \$7.66 \$22.45 \$82.09	\$1.15 \$4.29 \$2.30 \$0.64 \$0.00 \$1.57 \$0.67 \$0.18 \$4.72 \$0.00 \$15.52	\$2.11 \$7.17 \$4.23 \$1.72 \$5.88 \$1.79 \$5.92 \$0.90 \$5.38 \$17.64 \$52.73	\$9.45 \$28.92 \$18.89 \$8.17 \$15.24 \$7.49 \$14.08 \$5.40 \$22.48 \$20.00 \$45.72 \$195.83
COTTON STRIPPER HAUL GIN COTTON (CUSTOM)	70 HP 65 HP	0.62 HR 0.75 HR	\$134.89	\$4.65 \$5.63	\$13.21 \$9.12	\$1.16 \$0.99	\$15.87 \$5.07	\$34.89 \$20.81 \$134.89
		1.37 HR	\$134.89	\$10.28	\$22.33	\$2.15	\$20.94	\$190.58
POSTHARVEST OPERATIONS SHREDDER	70 HP	0.14 HR		\$0.56	\$2.98	\$0.19	\$2.99	\$6.73
GINEDDEN		0.14 111		ψ0.00	ψ2.30	ψ0.13	ψ2.33	\$6.73

TABLE 11. Upland cotton (stripper), sprinkler-irrigated, budgeted per acre costs and returns for a 500 acre farm with above average management, Artesia-Lake Arthur area,

OVERHEAD EXPENSES

DOWNTIME EMPLOYEE BENEFITS INSURANCE LAND TAXES SUPERVISION AND MANAGEMENT OTHER EXPENSES	0.00 HR	\$0.03 \$58.37	\$0.00 \$6.54 \$54.58			\$2.12	\$0.00 \$6.54 \$0.03 \$2.12 \$54.58 \$58.37
SUBTOTAL	0.00 HR	\$58.40	\$61.12			\$2.12	\$121.63
TOTAL OPERATING EXPENSES	4.91 HR	\$375.53	\$97.45	\$107.40	\$17.85	\$78.78	\$677.01
NET OPERATING PROFIT							\$100.48
INTEREST ON OPERATING CAPITAL INTEREST ON EQUIPMENT INVESTMENT	(\$108.35 @	7.50%)				\$8.13 \$35.77
RETURN TO LAND AND RISK							\$56.58

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

GROSS RETURN		\$777.49	
VARIABLE OPERATING EXPENSES	\$500.78		
RETURN OVER VARIABLE EXPENSES		\$276.71	(GROSS MARGIN)
FIXED EXPENSES	\$78.78		
NET FARM INCOME		\$197.93	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$97.45		
NET OPERATING PROFIT		\$100.48	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$43.90		
RETURN TO LAND AND RISK		\$56.58	

Projected 2015		0 /		·		
	ALFALFA ESTABLISHMENT	ALFALFA HAY	BARLEY	OAT HAY	PICKER COTTON	STRIPPER COTTON
	TONS	TONS	CWT	TONS	LBS	LBS
RIMARY YIELD	6.50	6.50	35.00	3.50	700.00	
RIMARY PRICE	\$245.00	\$245.00	\$6.12	\$195.00	\$0.90	\$0.85
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00	\$0.00	\$81.69	\$81.69
SECOND INCOME	\$0.00	\$40.00	\$40.00	\$0.00	\$100.80	\$100.80
ROSS RETURN	\$1,592.50	\$1,632.50	\$254.20	\$682.50	\$812.49	\$777.49
ASH OPERATING EXPENSES						
SEED	\$120.00		\$51.70	\$38.00	\$113.25	\$151.00
FERTILIZER	\$64.00	\$90.00	\$67.50	\$60.00	\$4.80	\$4.80
CHEMICALS	\$0.00	\$5.25	\$0.00		\$5.25	\$5.25
CROP INSURANCE		• • •	\$5.88		\$1.64	\$1.19
OTHER PURCHASED INPUTS		\$227.46				
CANAL WATER	• • • • • • •	•	• • • • • •	• • • • • •	• • • • • •	^
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$102.30	\$55.57	\$28.15	\$41.34	\$82.95	\$77.47
FUEL-IRRIGATION	\$44.90	\$51.32	\$29.94	\$29.94	\$29.94	\$29.94
REPAIRS	\$28.45	\$24.95	\$7.01	\$12.75	\$29.71	\$17.85
CUSTOM CHARGES LAND TAXES		¢0.40	\$24.91 \$2.12	¢0.40	\$124.30 \$2.12	\$154.89 \$2.12
OTHER EXPENSES	\$0.03	\$2.12 \$58.39	\$2.12 \$58.38	\$2.12 \$58.38	\$2.12 \$58.40	\$2.12 \$58.40
OTHER EXPENSES	φ0.03	ФОО. 39	ФОО.30	ФОО.30	Φ 30.40	 ФЭО.40
TOTAL CASH EXPENSES	\$359.68	\$515.06	\$275.58	\$242.53	\$452.36	\$502.90
ETURN OVER CASH EXPENSES	\$1,232.82	\$1,117.44	(\$21.38)	\$439.97	\$360.14	\$274.60
IXED EXPENSES	\$92.30	\$293.23	\$39.16	\$46.97	\$247.72	\$76.66
TOTAL EXPENSES	\$451.98	\$808.29	\$314.75	\$289.50	\$700.08	\$579.56
IET FARM INCOME	\$1,140.52	\$824.21	(\$60.55)	\$393.00	\$112.41	\$197.93
ABOR AND MANAGEMENT COSTS	\$162.04	\$154.72	\$35.85	\$71.24	\$103.78	\$97.45
IET OPERATING PROFIT	\$978.48	\$669.49	(\$96.39)	\$321.76	\$8.63	\$100.48
APITAL COSTS						
INTEREST ON OPERATING CAPITAL		\$13.57	\$6.07	\$5.01	\$6.84	\$8.13
INTEREST ON OPERATING CAPITAL INTEREST ON EQUIPMENT INVESTMENT	\$41.95	\$13.57 \$22.14	\$0.07 \$11.90	\$5.01 \$17.67	\$0.04 \$125.27	\$6.13 \$35.77
	ψ+1.50	ΨΖΖ. 1 4	ψ11.30	ψ17.07	ψ120.21	ψ55.77
TOTAL CAPITAL COSTS	\$41.95	\$35.71	\$17.97	\$22.69	\$132.10	\$43.90
ETURN TO LAND AND RISK	\$936.54	\$633.78	(\$114.36)	\$299.07	(\$123.47)	\$56.58

TABLE 12. Summary of per acre costs and returns for a 500 acre farm with above average, Artesia-Lake Authur area,

ALFALFA HAY 342 ACRES \$566.035 CROP \$11,400 GRAZING BARLEY 8.5 ACRES \$1,821 CROP \$0 DIRECT PAYMENTS \$0 COUNTER CYCLICAL PAYMENT \$340 GRAZING GAZING \$5460 COTTON LINT \$340 GRAZING \$5460 COTTON NET \$5460 COTTON LINT \$54,866 COTTON LINT \$6,669 PICKER COTTON \$2 ACRES \$51,660 COTTON SEED \$0 DIRECT PAYMENTS \$6,699 COUNTER CYCLICAL PAYMENT \$55,998 COTTON LINT \$55,5 ACRES \$35,403 COTTON SEED \$0 DIRECT PAYMENTS \$6,699 COUNTER CYCLICAL PAYMENT \$56,998 COTTON LINT \$59,5 ACRES \$35,403 COTTON SEED \$0 DIRECT PAYMENTS \$4,861 COUNTER CYCLICAL PAYMENT \$5687,941 GROSS RETURN \$6687,941 GROSS RETURN \$6687,941 GROSS RETURN \$6687,941 FUEL, OLK & LUBRICANTS-EQUIPMENT \$22,399 CHEMICALS \$150 CROP INSURANCE \$64,827 OTHER PURCHASED INPUTS \$0 CANAL WATER \$22,299 CHEMICALS \$150 CROP INSURANCE \$64,827 OTHER PURCHASED INPUTS \$0 CANAL WATER \$22,391 CHEMICALS \$19,620 CUSTOM CHARGES \$328,449 TOTAL CASH EXPENSES \$25,870 OTHER EXPENSES \$238,486 TOTAL CASH EXPENSES \$238,486 TOTAL CASH EXPENSES \$239,519 TOTAL EXPENSES \$239,519 TOTAL EXPENSES \$310,908 ET FARM INCOME \$68,514 ABOR AND MANAGEMENT COSTS \$319,908	Projected 2015	5		
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			\$2	6,347
	TOTAL CAPIT.	AL COSTS	Ψ-	
ETURN TO LAND AND RISK \$203.561				#000 501

TABLE 13. Whole farm summary, Artesia-Lake Arthur area, Projected 2015

RETURN TO LAND AND RISK

	RETURN	RETURN ON
LAND VALUE	TO RISK*	INVESTMENT**
\$1,000 /ACRE	\$273,561	39.48%
\$2,500 /ACRE	\$243,561	20.50%
\$4,000 /ACRE	\$213,561	13.85%
\$5,500 /ACRE	\$183,561	10.45%

* 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)