TABLE 1. Acreage Summary, Lea County,
Actual 2014
BUDGET AREA.....SOUTHERN HIC SOUTHERN HIGH PLAINS, LEA COUNTY

NUMBER OF CROPS.

			WATER	RUSE
ACREAGE SUMMARY:		LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHME	NT	21.00 *	6	126
ALFALFA		125.00	42	5,250
WHEAT		106.25	20	2,125
ARP		0.00		
FLEX IN COTTON		18.75	20	375
COTTON		106.25	20	2,125
ARP		0.00		
FLEX IN COTTON		18.75	20	375
IDLE, FALLOW, ROADS		105.00		
	TOTAL	480.00		10,376
	ACRE FEE	T PER ACRE OF WATE	R RIGHTS	1.80

^{*} DOUBLE-CROPPPED

TABLE 2. Basic cost information for Lea County, Actual 2014

Item				
Labor Wage Rate:				
Equipment operators		\$/hour		\$8.55
General & Irrigators		\$/hour		\$7.50
Purchased Inputs:				
Fertilizer:				
Nitrogen (N)		\$/pound		\$0.50
Phosphate (P205)		\$/pound		\$0.40
Seed:				
Alfalfa		\$/pound		\$6.00
Wheat		\$/pound		\$0.45
Cotton		\$/pound		\$7.55
Electricity (Lea Co Elec Coop)		cents/KwHr		7.21
Natural gas (Gas Co NM)		\$/MCF		\$4.00
Service Charge		\$/month		\$10.00
Diesel fuel		\$/gallon		\$3.83
Gasoline		\$/gallon		\$2.55
LP Gas		\$/gallon		\$2.85
Employee Liability Insurance		\$/\$1,000 wa	ges	\$20.00
Employee Benefits		percent/wag	es	18.00%
Labor Downtime		percent		25.00%
Financial Rates:				
Operating Capital Interest Rate		percent		5.50%
Land Interest Rate		percent		5.00%
Equipment Interest Rate		percent		5.50%
Real Interest Rate		percent		3.00%
Land Taxes	\$90.00	/acre (full va	lue)	\$0.80
Personal Property Tax Rate	- NR - R	\$/\$1,000	(Assessed Value)	\$26.57 \$29.87
Supervision Factors				
Field Crop-Irrigation		\$/labor hour		\$1.00
Field Crop-Equipment & General		\$/labor hour		\$0.50
Management Rate		percent		7.00%

TABLE 3. Overhead cost information for Lea County, Actual 2014

Item \$1,452 \$900 \$1,718 Electricity (Domestic & Shop) \$121.00 per month Telephone Accounting & Legal \$75.00 per month Misc. Supplies & Hand Tools \$2,517 Pickup and Auto 24,926 @ \$0.500 per mile \$12,463 miles Insurance - general liability (non-employee)
- fire/theft
Property Taxes
- non-planted land \$1,857 \$1,470 non-pianted land
 other than land & machinery
Building repairs and maintenance
Dues, fees, publications
Farmstead Equipment \$6,010 \$1,410 \$424 \$182 \$30,402 Total Total per planted acre \$81.07

TABLE 4. Pumping costs and data to Actual 2014	r inigation wells.	Lee County.										
BPUT DATA DELAGRY PSt SPRINGER 40		06	PTH CHRRA	CTERISTICS TATIC RAW DOWN. STALHEAD ISSNG		70						
GALLONG PER MINLITE (GPM) WORK HORSEPOWER		750 36	TC CO	TAL HEAD.		70 30 100 150						
WORK HORSEPOWER EFFICIENCY FACTOR ELECTRICITY NATURAL GAS LP GAS DESEL		0.560 0.154 0.154 0.160										
DESEL FUEL COST PER UNIT: ELECTROTY			ENTSHIER									
FUEL COST PER UNIT: ELECTRICITY NATURAL GAS LP GAS DIESEL		7.21 C \$4.00 S \$2.85 S \$3.80 S	ENTSMUH MCF GAL GAL									
FLECTRIC WELL:												
COST PER HOUR COST PER ACRE INCH			\$3.66 \$2.21									
COST PER HOUR COST PER ACRE INCH LP GAS WELL:			\$2.67 \$1.61									
COST PER HOUR COST PER ACRE NOH DIESEL WELL: COST PER HOUR COST PER ACRE NOH			\$18.71 \$11.29 \$15.70									
			\$15.70 \$9.47									
TABLE S. Equipment summary for a Actual 2014 EQUIPMENT	690 acre sprinki	ler-irrigated far	m with above	average man	agement, Lea		ogra			FREE	COSTS	
ITEM A SEE	HÔ	NNUAL XURSOF N			RUEL, OIL, UBRICANT		FLEL, OIL PER HR	REPAIR PER HR	D	EPRECIATION		TOTAL PER HR
TENCTOR 128 / TENT 12	р р т	364 683 89 69 156 76 23 79 16 24 4 56 156 20 18	1	\$20,967 \$40,965 \$2,950 \$1,600 \$2,150 \$4,000 \$4,250 \$600 \$2,500 \$2,500 \$2,500 \$2,500 \$2,500 \$1,500	\$10,673 \$16,583 \$986	\$1,367 \$2,601 \$62 \$100 \$24 \$262 \$26 \$26 \$27 \$50 \$0 \$29 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50	\$31.59 \$34.34 \$14.34	\$3.90° \$5.39 \$0.90° \$1.45 \$0.72 \$1.00 \$4.96 \$1.00 \$0.00 \$0.72 \$0.40 \$0.40 \$0.40 \$0.72		\$2,647 \$5,985 \$797 \$3,021 \$985 \$600 \$430 \$180 \$650 \$552 \$400 \$255 \$500 \$255 \$500 \$255 \$500 \$255 \$500 \$255 \$500 \$255 \$500 \$255 \$500 \$500	\$290 \$200 \$51 \$221 \$34 \$27 \$19 \$15 \$12 \$30 \$4 \$27 \$22 \$30 \$4 \$27 \$22 \$22 \$22 \$22 \$22 \$22 \$22 \$22	\$8.54 \$13.22 \$6.17 \$2.66 \$5.62 \$17.56 \$12.04 \$81.25 \$14.25 \$7.61 \$17.66 \$17.66 \$11.31
BALER PTO 2 1 DISC 14 6 DRLL 13 6 PLOW (MOLDBOARD) 6-14 8	VIRE T	156 76 23 79	5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	\$1,600 \$3,000 \$2,150 \$4,000		\$24 \$262 \$24 \$26		\$0.15 \$3.72 \$1.03 \$4.96		\$285 \$400 \$430 \$633	\$34 \$27 \$19 \$35	\$2.68 \$5.62 \$19.60 \$7.19
CHSEL 9 6 FLANTER 6 6 FLOAT 12 6 CULTINATOR 6 6	T OW T OW	16 24 4 56	1 1	\$1,350 \$4,250 \$500 \$3,000		\$27 \$50 \$0 \$209		\$1.67 \$2.04 \$0.02 \$3.72		\$180 \$850 \$53 \$600	\$12 \$38 \$4 \$27	\$12.04 \$36.32 \$14.25 \$7.61
SHREDDER 4 F ANHYDROUG APPLICATOR FERT SPREADER DEALER F	OW URNSHED	20 18 20	- 1	\$2,500		\$8 \$13		90.40 90.72		\$222 \$200	\$22 \$13	\$17.66 \$11.81
CENTER PHOT SPRINKLER NATURAL GAS WELL	_	6,361 6,361		\$8,000 \$15,000 \$74,375 \$222,856	\$16,721 \$45,163	\$663 \$0 \$1,252 \$7,567	\$2.67	\$7.44 \$0.00 \$0.20		\$1,067 \$2,000 \$5,960 \$36,066	\$71 \$133 \$659 \$2,178	\$12.76 \$0.94 \$1.15
		60	SUPMENT LIS	iT.								_
(IEM		NEW VALUE	USED	YEARS LIFE	EQUP CODE	MAX HOURS	RJEL UNTHR	SALVINGE COSE	ACCUM YEARS	KE	NTEREST EXPENSE	
TEM. TEM. TOOL 128 IN TOWLCOOK 128 IN TOWLCO	P P T	66,185 89,775 11,500 72,410 7,700 6,000 4,300 8,000 2,700 8,500 800 6,000 5,100 5,000 3,000	23,917 40,965 2,950 21,350 1,000 2,150 4,000 1,350 4,250 500 2,550 2,500 1,500	25 15 15 20	1 1 5	800 800 800 800 800 800 100 200 200 200 200 200 200 200 200 2	7.50 8.15 0.00 3.12	0.10 0.10 0.00 0.20	6194.57 5311.76 1158.63 142.50 2812.50 1214.08 287.77 1265.28 255.00 277.69 58.85 887.00 2361.75 301.88 270.94	18 11 13 6	992.78 1.398.63 172.50 1.098.15 115.50 90.00 64.50 120.00 40.50 127.50 12.00 90.00 78.50 75.00 45.00	
##### PTO 2 N DISC 14 F DRLL 13 F PLOW (#IOLDBOARD) 6-14 B	redii T T	7,700 6,000 4,000 8,000	1,600 3,000 2,150 4,000	25 15 15 20 20 15 10 15 15 15 15 15 15 15 15	1 5 2 2 3 8 3 3 8 4 3 3 8 4 3 3 8 8 8 8 8 8 8 8	500 300 100 300			2812.50 1214.08 297.77 1265.28	18 16 13 16	115.50 90.00 64.50 120.00	
PLANTER 6 F FLOAT 12 F CULTINATOR 6 F FRONT END LOADER	OW T OW	8,500 8,000 6,000 5,100	1,350 4,250 500 3,000 2,550	15 10 15 15 20	2 8 4 2	200 100 200 200 200			217.69 58.85 897.00 2343.75	19 13 15 16 16	43.50 127.50 12.00 90.00 76.50	
SHREDDER 4 F ANN/DROUG APPLICATOR FERT SPREADER DEALER F MODILE BUILDER	OW URNSHED	5,000 3,000 16,000	2,500 1,500 8,000			150 250 100			301.88 270.94 1604.25	编刊记录 经场记场 经经济证据 经经济证据 经证据 化二甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基	75.00 45.00 240,00	
CENTER PROT SPRINKLER NATURAL GAS WELL		16,000 30,000 29,750	8,000 15,000 14,875	15 15 25	5 0 0	100 8,742 1,200		0.06	1604.25 92916.63 1252.22	15	243.00 450.00 446.25	
USAGE LE	т	000 1101										
ALFALFA ALFALFA EST. HAY WHEAT		PER ACRE TOTALS										
	1.06 1.69 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	2.82 4.69 0.65 1.25 0.96 0.96 0.17 0.19 0.29 1.25 0.14 0.17 0.29 1.25 0.14 0.17										
0.28 0.00 0.38 0.18 0.00 0.18 0.48 0.00 0.00	0.26 0.00 0.46 p.m	0.84 0.96 0.96 0.40										
0.00 0.00 0.00 0.19 0.00 0.00 0.00 0.00 0.00	0.17 0.00 0.39 0.70	0.17 0.19 0.39 1.00										
0.00 0.00 0.00 0.00 0.00 0.11 0.06 0.06 0.01	0.14 0.00 0.05 0.62	0.14 0.17 0.20 0.62										
342 26.56 12.01 342 26.56 12.01	12.07	53.10 53.10										
INTEREST PROPATION												
ALFALFA HAY WHEAT COTTON												
Salina par acre-												
2.55 046 2.06 2.06 2.06 2.06 2.06 2.06 2.06 2.0												
0.00 0.00 0.72 0.00 0.38 0.00 0.00 0.00 0.89 0.00 0.00 0.00												
0.61 0.00 0.00 0.00 0.00 0.52 0.00 0.42 0.00												
0.00 0.00 1.67 1.82 0.87 0.87 1.81 0.86 0.86												
21.09 571 1546												
ALFALSTARLISHMENT	ACRES: POWER	TMES OVER	ACCOMPLE ACCOMPLE	ATER: SHAENT TOTAL	600							
PLOW DSC (2X) PLOKT	155 HP 155 HP 155 HP 156 HP 126 HP 126 HP	1.00 2.00 7.00	0.48 0.14 0.19		CUSTOM							
PLOW DBC (2X) FLOAT FERT SPREADER DRLL BRIG ATE (3X)	126 HP 126 HP	1.00 2.00 1.00 1.00 1.00 2.00	0.48 0.14 0.19 0.05 0.18 0.60	0.48 0.29 0.19 0.05 0.18 3.62								
ASASAHAY	ACRES:	125	PUMP W	HMENT	42.00							
MACHNE FERT SPREADER BRIGATE	POWER UNIT 126 HP	TMES OVER 1.00 14.00	0.06 0.60	TOTAL 0.05 25.34	CUSTOM							
		16.00	0.60	25.34								
SWATH ER (EN) BALER & AC FRONT END LOADER (EN)	16 FT SP 155 HP 126 HP	5.00 5.00 5.00	0.11 0.25 0.25	0.55 1.25 1.25								
WHEAT	ACRES:	106.25	ACCOMPLE RATE	ATER:	20.00							
INCHRE CHEEL	POWER UNIT	TMES OVER	RATE 0.15	TOTAL 0.15	CUSTOM							
DEC ANNHUROLG APPL FERT SPREADER DEC DELL BRIG ATE (120)	155 HP 155 HP 155 HP 126 HP 155 HP 126 HP	1.00 1.00 1.00 1.00 1.00 1.00	0.15 0.14 0.17 0.06 0.14 0.18 0.60	0.15 0.14 0.17 0.05 0.14 0.18								
DRILL BRIG ATE (120)	CBLHP	1.00	0.18	0.18 12.07								
COMBINE (CUSTOM) PER ACRE PER BUSHEL OVER 30 HAUL (CUSTOM) PER BUSHEL					925 0.19 0.19							
June and PM MISHE					376							
UPLAND COTTON	ACRES:	149.75	PUMP W	ATER:	20.00							
to/CHNE	POWER UNIT	OVER	RATE	TOTAL	сиятом							
PLOW DEC. FERT SPREADER DEC. PRE-RRELATE PLANTER CLUMATOR (DR HOS CLUSTOM DR) BRIGATE (70)	POWER UNT 155 HP 155 HP 136 HP 156 HP	1.00 1.00 1.00 1.00 1.00 1.00	0.48 0.14 0.05 0.14 0.08 0.17 0.13	0.48 0.14 0.05 0.14 1.51 0.17 0.39								
PHE-BRIGATE PLANTER CULTINATOR (30) HOS (CUSTOM 20)	155 HP 136 HP				20.00							
HRIGATE (73)		7.00	0.53	10.56								
COTTON STRIPPER MODILE BUILDER GN COTTON (CUSTOM) PER LINT	126 HP 155 HP	1.00	0.62 0.62	0.62	0.19							
					0.19							
SHREDDER	155 HP	1.00	0.14	0.14								
	ANNUAL REP			IT OF NEW V								
Hours of Use 1 2												
0	0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020	0.000020 0.000020 0.000020 0.000060 0.000060 0.000000 0.000020 0.000020 0.000060 0.000060 0.000060 0.000020 0.000020 0.000020 0.000020 0.000020 0.000020	0.000000 0.000000 0.000000 0.000000 0.000000	0.000140 0.000140 0.000230 0.000230 0.000230 0.000230 0.000230 0.000430 0.000430 0.000430 0.000430 0.000430 0.000430 0.000430 0.000430 0.000430 0.000630 0.000630 0.000630	0.000040 0.000040 0.000110 0.000110 0.000150 0.000150 0.000210 0.000210 0.000210 0.000210 0.000210 0.000210 0.000210 0.000210 0.000210 0.000210 0.000210 0.000210 0.000210	0.000240 0.000240 0.000360 0.000510 0.000510 0.000600 0.000600 0.000600 0.000600 0.000600 0.00100 0.001126 0.001260 0.001260 0.001260	0.000000 0.000000 0.000000 0.000000 0.000000					
400 0.000000 0.0000000 500 0.000000 0.0000000 600 0.000000 0.0000000 700 0.000000 0.0000000	0.000370 0.000360 0.000360 0.000340	0.00090 0.00090 0.000120 0.000120	0.000060 0.000060 0.000010 0.000010	0.000340 0.000370 0.000370	0.000150 0.000170 0.000190 0.00090	0.000710 0.000800 0.000800 0.000860	0.000650 0.000630 0.000630					
800 0,000,000 0,000,110 800 0,000,000 0,000,110 1000 0,000,000 0,000,120 1200 0,000,000 0,000,120	0.000320 0.000320 0.000320 0.000310	0.000150 0.000160 0.000180 0.000180	0.0003F0 0.0003F0 0.0003F0	0.000400 0.000400 0.000400	0.000210 0.000230 0.000230	0.000980 0.001020 0.001070 0.001070	0.000690 0.000690 0.000690					
1400 0.000045 0.000150 1500 0.000150 0.000170 1600 0.000150 0.000180 1800 0.000150 0.000180	0.000300 0.000300 0.000300 0.000366	0.000230 0.000230 0.000255 0.000255	0.000405 0.000405 0.000405 0.000405	0.000640 0.000640 0.000626	0.000810 0.000810 0.0008135 0.000735	0.001260 0.001260 0.001260	0.000765 0.000765 0.000805					
2000 0,00015 0,000170 2000 0,00015 0,000260 2000 0,000070 2000 0,000070	0.000280	0.000305	0.000606	0.000565	0.000295							
4000 0,000096 4500 0,000108 5000 0,000122 5500 0,000122												
6000 0.000148 6500 0.000162 7000 0.000176 7500 0.000188												
		40.7			_		_					
- Based on U	published data Engineering, L gricultural Mach Engineers Ver	of D. R. Huns, University of Bi linery Data* in	Department o nois. Agricultural	r Agricultural								
Codes												
1 stactors 2 ballets, com 3 statey hos, row cultises 4 harnows, wi bed shaper 5 balletsagons com heads, feed wagon	tines, forage ha	rvesters, wind d plaws, chice	towers, picks is, field cultiva	ps son								
row cultivas 4 harrows, w	gone, floats, rus	o buck, drag,	raller, water fo	FTOW,								
bed shaper				and a								

In an anti-mate variage, mans, hear state, using a semi-mate manual.

S biolomograpia, comos piciams, como mitignen, com piciams, com heads, funga equipment, intelly movers, state choppen filed with sport, from trucks

G balanc, custodar moutes

S parties; office, manuals spreader

B parties; office, manuals spreader

TABLE 6. Alfalfa establishment, sprinkler-irrigated, budgeted per acre costs and returns for a 480 acre farm with above average management, Lea County, Actual 2014

Planting dates: August 15 - September 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
SEED	\$6.00	30 LBS	\$180.00					\$180.00
NITROGEN (N)	\$0.50	55 LBS	\$27.50					\$27.50
PHOSPHATE (P205) PUMP WATER	\$0.40	140 LBS 6 AC. IN.	\$56.00					\$56.00
SUBTOTAL			\$263.50				-	\$263.50
	DOWED		BUBOULOEB		5 11 5 1 0		51V55	
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PREHARVEST OPERATIONS	UNIT	KAIE	INFUIS	LABOR	LUBE	KEFAIKS	0031	TOTAL
PLOW	155 HP	0.48 HR		\$4.10	\$16.48	\$4.97	\$9.80	\$35.35
DISC (2X)	155 HP	0.28 HR		\$2.39	\$9.62	\$2.55	\$5.27	\$19.83
FLOAT	155 HP	0.19 HR		\$1.62	\$6.52	\$1.03	\$5.22	\$14.40
FERT SPREADER	126 HP	0.05 HR		\$0.43	\$1.58	\$0.20	\$0.43	\$2.63
DRILL	126 HP	0.18 HR		\$1.54	\$5.69	\$0.90	\$5.07	\$13.19
IRRIGATE (3X)		0.30 HR		\$2.25	\$9.67	\$0.72	\$5.40	\$18.05
SUBTOTAL		1.48 HR		\$12.34	\$49.56	\$10.37	\$31.19	\$103.45
OVERHEAD EXPENSES								
DOWNTIME		0.30 HR		\$2.52				\$2.52
EMPLOYEE BENEFITS				\$2.22				\$2.22
INSURANCE			\$0.25					\$0.25
SUPERVISION AND MANAGEMENT				\$26.58				\$26.58
SUBTOTAL		0.30 HR	\$0.25	\$31.32				\$31.57
TOTAL OPERATING EXPENSES		1.78 HR	\$263.75	\$43.66	\$49.56	\$10.37	\$31.19	\$398.52

TABLE 7. Alfalfa hay, sprinkler-irrigated, budgeted per acre costs and returns for a 480 acre farm with above average management, Lea County, Actual 2014

Harvest dates: May 20 - October 15

Trail vest dates: May 20 - Octob	51 15									
ITEM	PRICE		YIEL	.D						TOTAL
GROSS RETURNS ALFALFA HAY	\$245.00		6.00	TONS (S	TACKED)					\$1,470.00
TOTAL									•	\$1,470.00
PURCHASED INPUTS	PRICE		QUAN	ΓΙΤΥ	PURCHASED INPUTS				FIXED COST	TOTAL
PHOSPHATE (P2O5)	\$0.40		90	LBS	\$36.00					\$36.00
INSECTICIDE (CUSTOM)	\$14.08			ACRE	\$14.08					\$14.08
HERBICIDE	\$12.80		1	ACRE	\$12.80					\$12.80
WIRE	\$0.37		51	LBS	\$19.10					\$19.10
ESTABLISHMENT: Principal			6	YEARS					\$66.42	\$66.42
: Interest PUMP WATER*			42	AC. IN.					\$12.31	\$12.31
				7.0	\$81.98				\$78.73	\$160.71
SUBTOTAL					\$61.90				\$10.13	\$160.71
	POWER		ACCOMPLIS	SHMENT	PURCHASED		FUEL &		FIXED	
PREHARVEST OPERATIONS	UNIT		RAT	E	INPUTS	LABOR	LUBE	REPAIRS	COST	TOTAL
FERT SPREADER	126 HP		0.05	HR		\$0.43	\$1.58	\$0.20	\$0.43	\$2.63
IRRIGATE			1.40			\$10.50	\$67.69	\$5.07	\$37.81	\$121.07
SUBTOTAL			1.45	HR		\$10.93	\$69.27	\$5.27	\$38.24	\$123.70
HARVEST OPERATIONS										
SWATHER (5X)	16 FT SP		0.55	ЦΒ		\$4.70	\$7.89	\$0.80	\$31.53	\$44.91
BALER & ACCUM (5X)	155 HP		1.25			\$10.69	\$42.93	\$6.93	\$19.87	\$80.41
FRONT END LOADER (5X)	126 HP		1.25			\$10.69	\$39.49	\$8.92	\$12.90	\$72.00
SUBTOTAL			3.05	HR		\$26.08	\$90.31	\$16.64	\$64.31	\$197.33
OVERHEAD EXPENSES										
DOWNTIME			0.78	ЦΒ		\$6.63				\$6.63
EMPLOYEE BENEFITS			0.76	TIIX		\$6.66				\$6.66
INSURANCE					\$0.74	ψ0.00				\$0.74
LAND TAXES									\$0.80	\$0.80
SUPERVISION AND MANAGEMENT						\$105.85				\$105.85
OTHER EXPENSES					\$81.07					\$81.07
SUBTOTAL			0.78	HR	\$81.81	\$119.14			\$0.80	\$201.75
TOTAL OPERATING EXPENSES			5.28	HR	\$163.80	\$156.14	\$159.57	\$21.91	\$182.07	\$683.49
NET OPERATING PROFIT										\$786.51
INTEREST ON OPERATING CAPITAL		(\$68.54	@	5.50%)				\$3.77
INTEREST ON EQUIPMENT INVESTMENT	Г	(φο.σ.	Ü	0.0070	,				\$21.09
RETURN TO LAND AND RISK										\$761.65
* Pump water costs are shown under irrigation	on in the prehar	rvest operation	ons section.							
		BUDGET	SUMMARY							
GROSS RETURN			\$1,470.00							
VARIABLE OPERATING EXPENSES		\$345.27								
RETURN OVER VARIABLE EXPENSES		0.400.07	\$1,124.73	(GROS	S MARGIN)					
FIXED EXPENSES NET FARM INCOME		\$182.07	\$942.66	(DETI II	RN TO CAPITAL, L	AROD LAND	J & DIGIZ)			
LABOR AND MANAGEMENT COST		\$156.14	φ54∠.00	(KE I U	ININ TO CAPITAL, L	ADUR, LAINI	J a rior)			
NET OPERATING PROFIT		ψ100.14	\$786.51	(RETU	RN TO CAPITAL, L	AND & RISK)			
INET OF EINATING FROITI										
CAPITAL COSTS		\$24.86	ψ. σσ.σ.	(1414 TO O/41 TT/AL, L		,			

TABLE 8. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 480 acre farm with above average management, Lea County, Actual 2014
Planting dates: August 15 - October 30
Harvest dates: June 20 - July 5

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$7.00	48.00 BUSHELS		\$336.00
DIRECT PAYMENT	\$0.00	48.00 BUSHELS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$50.00	1.00 ACRE		\$50.00
TOTAL				\$386.00

				PURCHASED				FIXED	
PURCHASED INPUTS	PRICE		QUANTITY	INPUTS				COST	TOTAL
SEED	0.45		90 LBS	\$40.50					\$40.50
PHOSPHATE (P205)	0.40		70 LBS	\$28.00					\$28.00
ANHYDROUS AMMONIA (NH3) PUMP WATER*	0.15		200 LBS 20 ACREI	\$30.00					\$30.00
CROP INSURANCE	0.47		20 ACRE	\$0.47					\$0.47
SUBTOTAL	0.47			\$98.97				=	\$98.97
	POWER		ACCOMPLISHMEN	T PURCHASED		FUEL &		FIXED	
PREHARVEST OPERATIONS	UNIT		RATE	INPUTS	LABOR	LUBE	REPAIRS	COST	TOTAL
CHISEL	155 HP		0.15 HR		\$1.28	\$5.15	\$1.06	\$3.79	\$11.28
DISC	155 HP		0.14 HR		\$1.20	\$4.81	\$1.27	\$2.64	\$9.92
ANNHYDROUS APPL	155 HP		0.17 HR		\$1.45	\$5.84	\$1.04	\$4.25	\$12.58
FERT SPREADER	126 HP		0.05 HR		\$0.43	\$1.58	\$0.20	\$0.43	\$2.63
DISC	155 HP		0.14 HR		\$1.20	\$4.81	\$1.27	\$2.64	\$9.92
DRILL	126 HP		0.18 HR		\$1.54	\$5.69	\$0.90	\$5.07	\$13.19
IRRIGATE (12X)			1.20 HR		\$9.00	\$32.23	\$2.41	\$18.01	\$61.65
SUBTOTAL		-	2.03 HR		\$16.10	\$60.10	\$8.16	\$36.82	\$121.18
HARVEST OPERATIONS									
COMBINE (CUSTOM)				\$12.67					\$12.67
HAUL (CUSTOM)				\$7.68					\$7.68
SUBTOTAL		-		\$20.35					\$20.35
OVERHEAD EXPENSES									
DOWNTIME			0.21 HR		\$1.77				\$1.77
EMPLOYEE BENEFITS					\$2.90				\$2.90
INSURANCE				\$0.32					\$0.32
LAND TAXES								\$0.80	\$0.80
SUPERVISION AND MANAGEMENT					\$28.64				\$28.64
OTHER EXPENSES				\$81.07					\$81.07
SUBTOTAL		-	0.21 HR	\$81.39	\$33.31			\$0.80	\$115.50
TOTAL OPERATING EXPENSES		-	2.24 HR	\$200.71	\$49.40	\$60.10	\$8.16	\$37.62	\$356.00
NET OPERATING PROFIT									\$30.00
INTEREST ON OPERATING CAPITAL INTEREST ON EQUIPMENT INVESTMENT	Г	(\$68.25 @	5.50%)				\$3.75 \$5.71
RETURN TO LAND AND RISK									\$20.54

	BUDGET S	SUMMARY	
GROSS RETURN		\$386.00	
VARIABLE OPERATING EXPENSES	\$268.98		
RETURN OVER VARIABLE EXPENSES		\$117.02	(GROSS MARGIN)
FIXED EXPENSES	\$37.62		
NET FARM INCOME		\$79.41	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$49.40		
NET OPERATING PROFIT		\$30.00	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$9.46		
RETURN TO LAND AND RISK		\$20.54	

 $\ensuremath{^{*}}$ Pump water costs are shown under irrigation in the preharvest operations section.

TABLE 9. Upland cotton (stripper), sprinkler-irrigated, budgeted per acre costs and returns for a 480 acre farm with above average management, Lea County, Actual 2014
Planting dates: May 1 - May 25
Harvest dates: November 1 - December 15

Harvest dates: November	1 - December 15									
ITEM	PRICE		YIEI	LD	BASE					TOTAL
GROSS RETURNS										
LINT SEED	\$0.85		425.00							\$361.25
DIRECT PAYMENT	\$0.09 \$0.0000		680.00 425.00		0.85					\$61.20 \$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373		675.00		0.85					\$78.78
TOTAL									-	\$501.23
TOTAL										φ301.23
					PURCHASED				FIXED	
PURCHASED INPUTS	PRICE		QUAN	TITY	INPUTS				COST	TOTAL
SEED	\$7.55		20	LBS	\$151.00					\$151.00
NITROGEN (N)	\$0.50			LBS	\$16.00					\$16.00
PHOSPHATE (P2O5)	\$0.40			LBS	\$16.00					\$16.00
INSECTICIDE HERBICIDE	\$11.20 \$8.00			X/ACRE X/ACRE	\$11.20 \$8.00					\$11.20 \$8.00
INSECTICIDE (CUSTOM)	\$11.07			X/ACRE	\$11.07					\$11.07
CROP INSURANCE	,				\$0.35					\$0.35
PUMP WATER*			20	ACRE IN.						
SUBTOTAL					\$213.62				-	\$213.62
	POWER		ACCOMPL	ICUMENT	PURCHASED		FUEL &		FIXED	
PREHARVEST OPERATIONS	UNIT		RA1		INPUTS	LABOR	LUBE	REPAIRS	COST	TOTAL
PLOW	155 HP		0.48	HR		\$4.10	\$16.48	\$4.97	\$9.80	\$35.35
DISC	155 HP		0.14	HR		\$1.20	\$4.81	\$1.27	\$2.64	\$9.92
FERT SPREADER	126 HP		0.05			\$0.43	\$1.58	\$0.20	\$0.43	\$2.63
DISC PRE-IRRIGATE	155 HP		0.14			\$1.20 \$0.75	\$4.81 \$4.03	\$1.27 \$0.30	\$2.64 \$2.25	\$9.92 \$7.33
PLANTER	155 HP		0.10 0.17			\$0.75 \$1.45	\$5.84	\$0.30 \$1.26	\$2.25 \$8.42	\$16.98
CULTIVATOR (3X)	126 HP		0.39			\$3.33	\$12.32	\$3.00	\$6.30	\$24.96
HOE (CUSTOM 2X) IRRIGATE (7X)			0.70	ШΒ	\$20.00	\$5.25	\$28.20	\$2.11	\$15.76	\$20.00 \$51.32
SUBTOTAL			2.17	HR	\$20.00	\$17.71	\$78.07	\$14.39	\$48.23	\$178.40
HARVEST OPERATIONS										
COTTON STRIPPER	126 HP		0.62	HR		\$5.30	\$19.59	\$3.03	\$10.99	\$38.91
MODULE BUILDER	155 HP		0.62	HR		\$5.30	\$21.29	\$7.95	\$16.11	\$50.65
GIN COTTON (CUSTOM)					\$79.99					\$79.99
SUBTOTAL		•	1.24	HR	\$79.99	\$10.60	\$40.88	\$10.98	\$27.09	\$169.55
POSTHARVEST OPERATIONS										
SHREDDER	155 HP		0.14	HR		\$1.20	\$4.81	\$0.81	\$4.32	\$11.14
OVERHEAD EXPENSES										
DOWNTIME			0.68	HR		\$5.77				\$5.77
EMPLOYEE BENEFITS						\$5.31				\$5.31
INSURANCE					\$0.59				#0.00	\$0.59
LAND TAXES SUPERVISION AND MANAGEMENT						\$37.24			\$0.80	\$0.80 \$37.24
OTHER EXPENSES					\$81.07					\$81.07
SUBTOTAL			0.68	HR	\$81.66	\$48.32			\$0.80	\$130.78
TOTAL OPERATING EXPENSES		•	4.23	HR	\$395.27	\$77.83	\$123.76	\$26.19	\$80.44	\$703.48
NET OPERATING PROFIT										(\$202.26)
INTEREST ON OPERATING CAPITAL INTEREST ON EQUIPMENT INVESTI		(\$142.32	@	5.50%)				\$7.83 \$15.46
RETURN TO LAND AND RISK										(\$225.55)
* Pump water costs are shown under i	rrigation in the preh	narvest oper	ations section	٦.						
, amp nater edete are enount ander .	ingation in the pro-		SUMMARY							
GROSS RETURN			\$501.23							
VARIABLE OPERATING EXPENSES		\$545.21								
RETURN OVER VARIABLE EXPENSES		#02.44	(\$43.99)	(GROS	S MARGIN)					
FIXED EXPENSES NET FARM INCOME		\$80.44	(\$124.43)	(RETITE	RN TO CAPITAL, L	ABOR LAND	J & RISKI			
LABOR AND MANAGEMENT COST		\$77.83	(ψ124.43)	(IVE I OF	TO GAFTIAL, L	JUDON, LAINL	J & INION)			
NET OPERATING PROFIT			(\$202.26)	(RETUR	RN TO CAPITAL, L	AND & RISK)			
CAPITAL COSTS		\$23.29								
RETURN TO LAND AND RISK			(\$225.55)							

TABLE 10. Summary of per acre costs and returns for a 480 acre farm with above average management, Lea County, Actual 2014

Actual 2014				
	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT	STRIPPER COTTON
		TONS	BU	LBS
PRIMARY YIELD		6.00	48.00	425.00
PRIMARY PRICE		\$245.00	\$7.00	\$0.85
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$78.78
SECOND INCOME		\$0.00	\$50.00	\$61.20
GROSS RETURN		\$1,470.00	\$386.00	\$501.23
CASH OPERATING EXPENSES				
SEED	\$180.00		\$40.50	\$151.00
FERTILIZER	\$83.50	\$36.00	\$58.00	\$32.00
CHEMICALS		\$26.88		\$30.27
CROP INSURANCE			\$0.47	\$0.35
OTHER PURCHASED INPUTS		\$19.10		
CANAL WATER FUEL, OIL & LUBRICANTS-EQUIPMENT	\$39.89	\$91.89	\$27.87	\$91.53
FUEL-IRRIGATION	\$9.67	\$67.69	\$32.23	\$32.23
REPAIRS	\$10.37	\$21.91	\$8.16	\$26.19
CUSTOM CHARGES	ψ10.57	Ψ21.51	\$20.35	\$99.99
LAND TAXES		\$0.80	\$0.80	\$0.80
OTHER EXPENSES	\$0.25	\$81.81	\$81.39	\$81.66
TOTAL CASH EXPENSES	\$323.67	\$346.07	\$269.77	\$546.01
RETURN OVER CASH EXPENSES	(\$323.67)	\$1,123.93	\$116.23	(\$44.78)
FIXED EXPENSES	\$31.19	\$181.28	\$36.82	\$79.64
TOTAL EXPENSES	\$354.86	\$527.34	\$306.59	\$625.65
RETURNS TO CAPITAL, LABOR, LAND & RISK	(\$354.86)	\$942.66	\$79.41	(\$124.43)
LABOR AND MANAGEMENT COSTS	\$43.66	\$156.14	\$49.40	\$77.83
RETURNS TO CAPITAL, LAND & RISK	(\$398.52)	\$786.51	\$30.00	(\$202.26)
CAPITAL COSTS INTEREST ON OPERATING CAPITAL INTEREST ON EQUIPMENT INVESTMENT		\$3.77 \$21.09	\$3.75 \$5.71	\$7.83 \$15.46
TOTAL CAPITAL COSTS	\$0.00	\$24.86	\$9.46	\$23.29
RETURN TO LAND AND RISK	(\$398.52)	\$761.65	\$20.54	(\$225.55)
	(********			/

TABLE 11. Whole farm summary, Lea County, Actual 2014

Actual 201	4			
GROSS RETURNS				
ALFALFA HAY	125.00 ACRES			
CROP	120.00 /101120	\$183,750		
WHEAT	106.25 ACRES	ψ.00,100		
CROP	100.20 7.0.120	\$35,700		
GRAZING		\$5,313		
DIRECT PAYMENT		\$0		
COUNTER CYCLICA	L PAYMENT	\$0		
COTTON	143.75 ACRES	**		
LINT		\$51,930		
SEED		\$8,798		
DIRECT PAYMENT		\$0		
COUNTER CYCLICA	I PAYMENT	\$11,324		
000141214 01021074	E I / (I WEI (I	ψ11,0 <u>2</u> 1		
GROSS RETURN			-	\$296,814
CASH OPERATING EX	DENCEC			
SEED	LINOLO	\$29,789		
FERTILIZER		\$17,016		
CHEMICALS		\$7,712		
CROP INSURANCE		\$100		
OTHER PURCHASE		\$2,388		
CANAL WATER	.D II 41 010	\$0		
	CANTS-EQUIPMENT	\$28,442		
FUEL-IRRIGATION	WINTO EQUIL WEINT	\$16,721		
REPAIRS		\$7,587		
CUSTOM CHARGES	3	\$16,535		
LAND TAXES	,	\$299		
OTHER EXPENSES		\$30,619		
OTHER EXPENSES		\$30,619		
TOTAL CA	ASH EXPENSES	•	\$157,208	
RETURN OVER CASH	EXPENSES			\$139,606
FIXED EXPENSES		\$30,373		
TOTAL EX	/DENSES		\$187,581	
	u LNOLO		Ψ101,301	
NET FARM INCOME				\$109,233
LABOR AND MANAGE	MENT COSTS	\$36,872		
NET OPERATING PRO	FIT			\$72,361
CAPITAL COSTS				
INTEREST ON OPE	RATING CAPITAL	\$1,995		
	IPMENT INVESTMENT	\$5,465		
EREST ON EQU	INC. T. HAVEOTIVICIAL	ΨΟ,ΨΟΟ		
TOTAL CA	APITAL COSTS		\$7,461	
RETURN TO LAND AN	D RISK		_	\$64,901
			•	

	DETUDN	DETUDN ON
	RETURN	RETURN ON
LAND VALUE	TO RISK*	INVESTMENT**
\$500 /ACRE	\$57,701	15.63%
\$700 /ACRE	\$54,821	12.95%
\$900 /ACRE	\$51,941	11.05%
\$1,100 /ACRE	\$49,061	9.64%
\$1,300 /ACRE	\$46,181	8.54%
\$1,500 /ACRE	\$43,301	7.67%

 $^{^\}star$ 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)