TABLE 1. Acreage Summary, Chaves County, Roswell-Hagermand Area, Actual 2014

FARM SIZE	BUDGET AREA	ROSWEL	L-HAGERMAN AREA, CHAVES COUNTY
IRRIGATION TYPESPRINKLER	FARM SIZE	320	ACRES
	IRRIGATION TYPE	.SPRINKL	ER
NUMBER OF CROPS5.	NUMBER OF CROPS	5	

				WATER	USE
ACREAGE SUMMARY:		LAND USE (ACRES)	į	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT		35.00 *		16	560
ALFALFA		175.00		54	9,450
WHEAT		25.50		28	714
ARP		0.00			
FLEX IN OAT HAY		4.50		28	126
OAT HAY		25.00		21	525
PICKER COTTON		34.00		28	952
ARP		0.00			
FLEX IN OAT HAY		6.00		28	168
STRIPPER COTTON		34.00		28	952
ARP		0.00			
FLEX IN OAT HAY		6.00		28	168
ROADS, DITCHES,		0.00		20	.00
HOMESTEAD		10.00			
Т	OTAL	320.0		_	13,615
	ACRE FE	ET PER ACRE	OF WATER F	RIGHTS	3.55

<sup>\*</sup> DOUBLE-CROPPED

TABLE 2. Basic cost information for the Roswell-Hagerman area, Chaves 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
Cotton				
picker		\$/pound		\$7.55
stripper		\$/pound		\$7.55
Oat Hay		\$/pound		\$0.86
Wheat		\$/pound		\$0.45
Plastic Twine:		\$/box		\$0.72
Natural gas		\$/MCF		\$4.00
Diesel fuel		\$/gallon		\$3.83
Gasoline		\$/gallon		\$2.55
Electricity		cents/KwH	r	\$7.84
LP Gas		\$/gallon		\$2.80
Employee Liability Insurance		\$/wages		\$20.00
Employee Benefits		percent/wa	ges	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	\$185.00	/acre (full v	alue)	\$1.45
Personal Property Tax Rate - NR - R		\$/\$1,000	(Assessed Value)	\$23.49 \$19.21
Supervision Factors				
Field Crop-Irrigation		\$/labor hou	ır	\$1.00
Field Crop-Equipment & General		\$/labor hou		\$0.50
				7.000
Management Rate		percent		7.00%

TABLE 3. Overhead cost information for Roswell-Hagerman area, Chaves County, Actual 2014

Item					
Electricity (Domestic & SI	hop)			per month	\$2,759 \$1,379
Accounting & Legal					\$1,700
Misc. Supplies & Hand To Pickup and Auto	ools				\$2,565
miles	24,200	@	\$0.500 per mile		\$12,100
Insurance - general liability (non-er - fire/theft Property Taxes	mployee)				\$1,839 \$1,458
- non-planted land - other than land & macl	hinerv				\$0 \$0
Building repairs and main					\$1,398
Dues, fees, publications					\$424
Farmstead Equipment					\$182
				Total	\$25,803
			Total Per Planted Acre		\$83.24

TREE   A Property and set fee to higher with, No.		SS SOCIETY P.S. 30 50 50 50 50 50 50 50 60 60 60 60 60 60 60 60 60 60 60 60 60	BA/TE (0740) 1,000 NIER 23 TOR 6,000 E 6,104 E 6,104 E 6,500	CENTERANG BACY BOIL BOIL
PARTICIPATION CONTENTION OF THE PARTICIPATION OF TH	EA A E E E E E E E E E E E E E E E E E	PARTICIPATE OF THE PARTICIPATE O	COSTS	\$2.56 \$1.72 \$1.79 \$1.79 \$1.29 \$1.29
TABLE E. Equipment summary for a 332 area symbolics in fluid 2004  POLIFICATI  REMA EZE AMALIA:  FOUND OF N  LORE  LORE  TOTAL STREET  TOTAL S			PREDICATE THE T	
	Desgrie Briggs Sci Preserves	100   101.0	BOAD	\$2.75 \$16.00 \$16.00 \$16.00 \$17.04 \$17.04 \$17.04 \$17.04 \$17.00 \$10
WEARS LIST	MARCH   MARC		COM NUMBER 22 GET 25 GE	
APAS	\$ CONTON \$ C			
APAPHEENLINES KHIS	THE STATE OF THE S			
	ACCOMPLIBMENT  REFE TOTAL CUSTOM  ESS SAS 34.44			
Description   Color	11 0.14 180 100 0.73 180 100 0.73 180 100 0.73 180 100 0.74 180 180 0.74 1			
	ACCOMPOSER 210  ACCOMPOSER 210  ACCOMPOSER 210  ACCOMPOSER 200			
UPLAND COTTON (PIOXER) ACRES	100 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			
COTTON FICHINGS (DV) 2 HOW HALL (DV) 65 PP GRICOTTON (CURTON) SLIGHT	2.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00			
UPLAND COTTON (ETRIPPIER) ACRES.	ACCOMPUSE TO SERVICE T			
	230 042 134 230 075 130 02			
AAAGAL KEPAR	DETERMAPENCENT OF NEW VILLE			
	1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1 9 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
1000 0-30 8000 0-30 * Examino wyskished datasi * Examino Yepishede Mahin	S.F. Hand, Department of Agricultural major of Elimois. Color's in Agricultural			

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TABLE 6. Alfalfa establishment, sprinkler-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Roswell-Hagerman area, Actual 2014

Planting dates: September 1	- September 31							
ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
SEED INSECTICIDE (CUSTOM) PUMP WATER*	\$6.00 \$8.77	30 LBS 1 ACRE 16 AC. IN.	\$180.00 \$8.77					\$180.00 \$8.77
SUBTOTAL			\$188.77				-	\$188.77
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC PLOW DISC (2X) DRILL DITCHER (2X) IRRIGATE (2X)	145 HP 145 HP 145 HP 96 HP 130 HP	0.17 HR 0.48 HR 0.34 HR 0.21 HR 0.10 HR 0.50 HR		\$1.45 \$4.10 \$2.91 \$1.80 \$0.86 \$3.75	\$5.37 \$15.17 \$10.74 \$3.26 \$3.16 \$66.65	\$1.89 \$4.94 \$3.77 \$0.41 \$0.40 \$0.66	\$5.54 \$13.54 \$11.07 \$4.96 \$4.05 \$5.94	\$14.25 \$37.76 \$28.50 \$10.43 \$8.46 \$76.99
SUBTOTAL		1.80 HR	= -	\$14.87	\$104.35	\$12.08	\$45.10	\$176.38
OVERHEAD EXPENSES  DOWNTIME EMPLOYEE BENEFITS INSURANCE SUPERVISION AND MANAGEMENT		0.33 HR	\$0.30	\$2.78 \$2.68 \$26.66				\$2.78 \$2.68 \$0.30 \$26.66
SUBTOTAL		0.33 HR	\$0.30	\$32.12			-	\$32.41
TOTAL OPERATING EXPENSES		2.13 HR	\$189.07	\$46.98	\$104.35	\$12.08	\$45.10	\$397.57

TABLE 7. Alfalfa hay, sprinkler-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Roswell-Hagerman area, Actual 2014

Harvesting dates: May 20 - October 15 ITEM PRICE YIELD TOTAL GROSS RETURNS ALFALFA HAY \$255.00 5.80 TONS (DELIVERED) \$1,479.00 \$1,479.00 TOTAL PURCHASED FIXED PRICE PURCHASED INPUTS QUANTITY INPUTS COST TOTAL FERTILIZER (10-26-10) INSECTICIDE (CUSTOM) 200 LBS 2 X/ACRE \$0.41 \$82.00 \$82.00 \$19.52 \$39.04 \$39.04 HERBICIDE (CUSTOM) \$26.09 1 X/ACRE \$26.09 \$26.09 PLASTIC TWINE \$0.72 170 FT/TON \$0.18 \$0.18 ESTABLISHMENT: Principal 5 YEARS \$79.51 \$79.51 \$12.05 \$12.05 : Interest PUMP WATER\* 54 AC. IN. SUBTOTAL \$147.30 \$91.56 \$238.86 POWER FUEL & ACCOMPLISHMENT PURCHASED FIXED REPAIRS PREHARVEST OPERATIONS UNIT INPUTS LUBE TOTAL RATE COST IRRIGATE (6X) \$20.04 1.50 HR \$11.25 \$224.94 \$2.21 \$258.44 SUBTOTAL 1.50 HR \$11.25 \$224.94 \$2.21 \$20.04 \$258.44 HARVEST OPERATIONS SWATHER (5X) 16 FT \$4.70 0.55 HR \$7.89 \$0.80 \$20.87 \$34.25 RAKE (5X) 96 HP 0.25 HR \$2.14 \$3.88 \$0.47 \$2.69 \$9.18 145 HP \$11.06 \$39.80 BALER (5X) 0.35 HR \$2.99 \$2.00 \$55.85 \$1.78 FRONT END LOADER (5X) 130 HP 0.25 HR \$2.14 \$7.90 \$9.02 \$20.84 HAUL SEMI 0.50 HR \$4.28 \$10.05 \$1.40 \$16.80 \$32.53 SUBTOTAL 1.90 HR \$16.25 \$40.78 \$6.45 \$89.18 \$152.65 OVERHEAD EXPENSES DOWNTIME 0.48 HR \$4.06 \$4.06 EMPLOYEE BENEFITS \$4.95 **INSURANCE** \$0.55 \$0.55 LAND TAXES \$1.45 \$1.45 SUPERVISION AND MANAGEMENT \$105.98 \$105.98 OTHER EXPENSES \$83.24 \$83.24 SUBTOTAL 0.48 HR \$83.79 \$114.99 \$1.45 \$200.23 TOTAL OPERATING EXPENSES \$231.09 \$142.49 \$265.72 \$8.67 \$202.22 \$850.18 3.88 HR NET OPERATING PROFIT \$628.82 INTEREST ON OPERATING CAPITAL 5.50% @ \$7.39 \$134.38 ) INTEREST ON EQUIPMENT INVESTMENT \$43.68 RETURN TO LAND AND RISK \$577.75

<sup>\*</sup> Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN

VARIABLE OPERATING EXPENSES

\$1,479.00

GROSS RETURN		\$1,479.00	
VARIABLE OPERATING EXPENSES	\$505.47		
RETURN OVER VARIABLE EXPENSES		\$973.53	(GROSS MARGIN)
FIXED EXPENSES	\$202.22		
NET FARM INCOME		\$771.30	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$142.49		
NET OPERATING PROFIT		\$628.82	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$51.07		
RETURN TO LAND AND RISK		\$577.75	

TABLE 8. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Roswell-Hagerman area, Actual 2014
Planting dates: August 15 - November 1
Harvesting dates: June 15 - July 1

Harvesting dates: June 15 - July	1								
ITEM	PRICE	YIEI	LD	BASE					TOTA
GROSS RETURNS									
WHEAT	\$11.67	40.00	CWT						\$466.6
DIRECT PAYMENT	\$0.00		CWT	0.85					\$0.0
COUNTER CYCLICAL PAYMENT	\$0.00								\$0.0
GRAZING	\$44.00	1.00	ACRE						\$44.00
TOTAL								-	\$510.67
				PURCHASED				FIXED	
DUDCHASED INDUTS	PRICE	OLIAN	TITV	INPUTS				COST	TOTA
PURCHASED INPUTS	PRICE	QUAN	IIIY	INPUIS				0031	IUIA
SEED	\$2.80	100.00	I DC	\$280.00					\$280.0
NITROGEN (N)	\$0.50	150.00		\$75.00					\$75.0
PHOSPHATE (P205)	\$0.40	50.00		\$20.00					\$20.0
INSECTICIDE (CUSTOM)	\$18.62		ACRE	\$18.62					\$18.6
PUMP WATER*	<b>0.4.00</b>	28.00	AC. IN.						04.0
CROP INSURANCE	\$1.96			\$1.96				-	\$1.96
SUBTOTAL				\$395.58					\$395.58
DDELLADVECT ODEDATIONS	POWER UNIT	ACCOMPL RAT		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTA
PREHARVEST OPERATIONS	UNII	KA	IE	INFUIS	LABOR	LUBE	KEFAINS	0031	IOIA
PLOW	145 HP	0.48	HR		\$4.10	\$15.17	\$4.94	\$13.54	\$37.76
DISC (2X)	145 HP		HR		\$2.39	\$8.85	\$3.11	\$9.12	\$23.47
FERTILIZE	DEALER APPLIED				4	*****	*****	*****	<b>*</b>
DRILL	96 HP	0.21	HR		\$1.80	\$3.26	\$0.41	\$4.96	\$10.43
DITCHER (2X)	130 HP		HR		\$0.86	\$3.16	\$0.40	\$4.05	\$8.46
IRRIGATE (4X)	130111		HR		\$7.50	\$116.64	\$1.15	\$10.39	\$135.67
11110/112 (474)			1110		ψ1.50	ψ110.04	ψ1.10	Ψ10.00	ψ100.07
SUBTOTAL		2.07	HR		\$16.65	\$147.07	\$10.01	\$42.06	\$215.79
HARVEST OPERATIONS									
				*					
COMBINE (CUSTOM)				\$14.18					\$14.18
HAUL (CUSTOM)				\$8.00					\$8.00
COMBINE & HAUL (CUSTOM)				\$22.18				-	\$22.18
				Ψ22.10					Ψ22.10
OVERHEAD EXPENSES									
DOWNTIME		0.27	HR		\$2.29				\$2.29
EMPLOYEE BENEFITS					\$3.00				\$3.00
INSURANCE				\$0.33					\$0.33
LAND TAXES				*****				\$1.45	\$1.4
SUPERVISION AND MANAGEMENT					\$37.23			*****	\$37.23
OTHER EXPENSES				\$83.24	ψ07.20				\$83.24
SUBTOTAL		0.27	HR	\$83.57	\$42.52		,	\$1.45	\$127.53
						£4.47.07	640.04		
TOTAL OPERATING EXPENSES		2.34	HK	\$501.33	\$59.16	\$147.07	\$10.01	\$43.51	\$761.09
NET OPERATING PROFIT									(\$250.42
INTEREST ON OPERATING CAPITAL		( \$238.91	@	5.50%	)				\$13.14
INTEREST ON EQUIPMENT INVESTMENT									\$18.33
RETURN TO LAND AND RISK									(\$281.89
* Pump water costs are shown under irrigation		rations section. T SUMMARY	•						
GROSS RETURN	\$658.42	\$510.67							

GROSS RETURN		\$510.67	
VARIABLE OPERATING EXPENSES RETURN OVER VARIABLE EXPENSES	\$658.42	(\$147.75)	(GROSS MARGIN)
FIXED EXPENSES	\$43.51	(φ147.73)	(GROSS WARGIN)
NET FARM INCOME	,	(\$191.26)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$59.16		
NET OPERATING PROFIT		(\$250.42)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS RETURN TO LAND AND RISK	\$31.47	(\$281.89)	
KETUKIN TO LAIND AIND KISK		(⊅∠01.89)	

TABLE 9. Oat hay, sprinkler-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Roswell-Hagerman area, Actual 2014
Planting dates: February 15 - April 1
Harvesting dates: June 15 - July 1

Harvesting dates: June 15 - Ju	ıly 1									
ITEM	PRICE		YIEL	_D						TOTA
GROSS RETURNS OAT HAY	\$195.00		5.0	TONS (E	DELIVERED)					\$975.0
TOTAL									-	\$975.00
PURCHASED INPUTS	PRICE		QUAN	TITY	PURCHASED INPUTS				FIXED COST	TOTA
SEED	\$0.86			LBS	\$68.80					\$68.8
NITROGEN (N) PUMP WATER*	\$0.50		85	LBS AC. IN.	\$42.50					\$42.5
SUBTOTAL					\$111.30				-	\$111.30
PREHARVEST OPERATIONS	POWER UNIT		ACCOMPLI RAT		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	ТОТА
DISC (2X)	145 HP		0.34	HR		\$2.91	\$10.74	\$3.77	\$11.07	\$28.50
DRILL	96 HP		0.21	HR		\$1.80	\$3.26	\$0.41	\$4.96	\$10.43
DITCHER (2X) IRRIGATE (4X)	130 HP		0.10 1.00			\$0.86 \$7.50	\$3.16 \$87.48	\$0.40 \$0.86	\$4.05 \$7.79	\$8.46 \$103.63
SUBTOTAL		-	1.65	HR		\$13.06	\$104.64	\$5.45	\$27.87	\$151.02
HARVEST OPERATIONS										
SWATHER	14 FT		0.16			\$1.37	\$2.29	\$0.23	\$6.07	\$9.96
RAKE BALER	96 HP 145 HP		0.05 0.05			\$0.43 \$0.43	\$0.78 \$1.58	\$0.09 \$0.29	\$0.54 \$5.69	\$1.84 \$7.98
FRONT END LOADER	130 HP		0.05			\$0.43	\$1.58	\$0.36	\$1.80	\$4.17
HAUL	SEMI		0.50	HR		\$4.28	\$10.05	\$1.40	\$16.80	\$32.53
SUBTOTAL		-	0.81	HR	-	\$6.93	\$16.28	\$2.37	\$30.90	\$56.48
OVERHEAD EXPENSES										
DOWNTIME			0.37	HR		\$3.12				\$3.12
EMPLOYEE BENEFITS INSURANCE					\$0.40	\$3.60				\$3.60 \$0.40
LAND TAXES					\$0.40				\$1.45	\$0.40 \$1.45
SUPERVISION AND MANAGEMENT					<b>600.04</b>	\$69.93				\$69.93
OTHER EXPENSES		_	0.07		\$83.24	<b>A70.05</b>			04.45	\$83.24
SUBTOTAL		=	0.37		\$83.64	\$76.65	0400.00	<b>A7.00</b>	\$1.45	\$161.73
TOTAL OPERATING EXPENSES NET OPERATING PROFIT			2.83	нк	\$194.94	\$96.63	\$120.92	\$7.82	\$60.22	\$480.53 \$494.47
INTEREST ON OPERATING CAPITAL INTEREST ON EQUIPMENT INVESTMEN	Т	(	\$84.73	@	5.50%	)				\$4.66 \$22.33
RETURN TO LAND AND RISK										\$467.48
* Pump water costs are shown under irriga			ons section. SUMMARY							
GROSS RETURN			\$975.00							
VARIABLE OPERATING EXPENSES RETURN OVER VARIABLE EXPENSES		\$323.68	\$651.32	(GROS	SS MARGIN)					

	BUDGET S	UMMARY	
GROSS RETURN		\$975.00	
VARIABLE OPERATING EXPENSES	\$323.68		
RETURN OVER VARIABLE EXPENSES		\$651.32	(GROSS MARGIN)
FIXED EXPENSES	\$60.22		
NET FARM INCOME		\$591.10	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$96.63		
NET OPERATING PROFIT		\$494.47	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$26.99		
RETURN TO LAND AND RISK		\$467.48	

TABLE 10. Upland cotton (picker), sprinkler-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Roswell-Hagerman area, Actual 2014
Planting dates: April 15 - June 1

Harvesting	dates:	October	1 -	December 31

Harvesting dates: October 1 - D	ecember 31								
ITEM	PRICE	YIELD	BA	ASE					TOTA
GROSS RETURNS									
COTTON LINT	\$0.90	750 LE	35						\$675.0
COTTON SEED	\$0.09	1,200 LE							\$108.0
DIRECT PAYMENT	\$0.0000	750 LE	3S	0.85					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	750 LE	38	0.85					\$87.53
TOTAL									\$870.53
TOTAL									\$670.55
			PURC	HASED				FIXED	
PURCHASED INPUTS	PRICE	QUANTIT		PUTS				COST	TOTA
SEED	\$7.55	20 LE		\$151.00					\$151.00
NITROGEN (N)	\$0.50	32 LE		\$16.00					\$16.0
PHOSPHATE (P205)	\$0.40	40 LE		\$16.00					\$16.00
HERBICIDE	\$15.41	1 A0		\$15.41					\$15.4
HERBICIDE (CUSTOM)	\$15.68	1 A0		\$15.68					\$15.68
INSECTICIDE (CUSTOM)	\$19.52	2 X/	ACRE	\$39.04					\$39.04
CROP INSURANCE				\$1.47					\$1.47
PUMP WATER*		28 A	C. IN.						
SUBTOTAL				\$254.60					\$254.60
	POWER	ACCOMPLISH		HASED	LABOR	FUEL &	DEDAIDS	FIXED	TOTA
PREHARVEST OPERATIONS	UNIT	RATE	IINP	PUTS	LABOR	LUBE	REPAIRS	COST	TOTA
DISC	145 HP	0.17 HI	R		\$1.45	\$5.37	\$1.89	\$5.54	\$14.25
PLOW	145 HP	0.48 HI			\$4.10	\$15.17	\$4.94	\$13.54	\$37.76
FLOAT	130 HP	0.16 HI	R		\$1.37	\$5.05	\$0.64	\$5.75	\$12.81
FERTILIZE	DEALER APPLIED								
LISTER	130 HP	0.18 HI			\$1.54	\$5.69	\$1.07	\$8.74	\$17.03
PRE-IRRIGATE		0.25 HI			\$1.88	\$29.16	\$0.29	\$2.60	\$33.92
CULT & SPRAY	96 HP	0.26 HI			\$2.22	\$4.04	\$1.06	\$4.78	\$12.11
PLANTER	130 HP	0.26 HI			\$2.22	\$8.21	\$1.46	\$18.21	\$30.11
CULTIVATOR (3X)	96 HP	0.63 HI	к	\$20.00	\$5.39	\$9.78	\$2.16	\$4.67	\$22.00
HAND HOE (CUSTOM) DITCHER (2X)	130 HP	0.10 HI	ь	\$20.00	\$0.86	\$3.16	\$0.40	\$4.05	\$20.00 \$8.46
IRRIGATE (3X)	130 FF	0.75 HI			\$5.63	\$87.48	\$0.40	\$7.79	\$101.75
SUBTOTAL		3.24 HI	R	\$20.00	\$26.65	\$173.11	\$14.76	\$75.67	\$310.19
HARVEST OPERATIONS									
COTTON PICKER (2X)	2-ROW	1.24 HI			\$10.60	\$28.72	\$8.87	\$185.59	\$233.78
HAUL (2X)	65 HP	1.00 HI			\$8.55	\$15.53	\$0.99	\$8.84	\$33.91
GIN COTTON (CUSTOM)			\$	\$123.60					\$123.60
SUBTOTAL		2.24 HI	R S	\$123.60	\$19.15	\$44.25	\$9.86	\$194.43	\$391.30
POSTHARVEST OPERATIONS									
SHREDDER	96 HP	0.14 HI	R		\$1.20	\$4.42	\$0.61	\$9.40	\$15.63
		0.14 HI		_					
SUBTOTAL		U.14 FI	ĸ		\$1.20	\$4.42	\$0.61	\$9.40	\$15.63
OVERHEAD EXPENSES									
DOWNTIME		1.16 HI	R		\$9.88				\$9.88
EMPLOYEE BENEFITS					\$8.46				\$8.46
INSURANCE				\$0.94					\$0.94
LAND TAXES								\$1.45	\$1.45
SUPERVISION AND MANAGEMENT					\$64.20				\$64.20
OTHER EXPENSES				\$83.24					\$83.24
SUBTOTAL		1.16 HI	R	\$84.18	\$82.53		-	\$1.45	\$168.16
TOTAL OPERATING EXPENSES		6.78 HI	R S	\$482.38	\$129.53	\$221.78	\$25.24	\$280.95	\$1,139.88
NET OPERATING PROFIT									(\$269.35
		( \$180.04	@	5.50%	)				\$9.90 \$22.33
INTEREST ON OPERATING CAPITAL									
INTEREST ON OPERATING CAPITAL INTEREST ON EQUIPMENT INVESTMENT RETURN TO LAND AND RISK									(\$301.5

BUDGET SUMMARY

GROSS RETURN		\$870.53	
VARIABLE OPERATING EXPENSES	\$729.40		
RETURN OVER VARIABLE EXPENSES		\$141.13	(GROSS MARGIN)
FIXED EXPENSES	\$280.95		
NET FARM INCOME		(\$139.82)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$129.53		
NET OPERATING PROFIT		(\$269.35)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$32.23		
RETURN TO LAND AND RISK		(\$301.58)	

TABLE 11. Upland cotton (stripper), sprinkler-irrigated, budgeted per acre costs and returns for a 320 acre farm with above average management, Roswell-Hagerman area, Actual 2014
Planting dates: April 15 - June 1

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	PRICE	OHANTITY	PURCHASED INPUTS	FIXED COST TOTAL

	PD105			PURCHASED				FIXED	
PURCHASED INPUTS	PRICE	QUANT	TITY	INPUTS				COST	TOTAL
SEED	\$7.55	25	LBS	\$188.75					\$188.75
NITROGEN (N)	\$0.50		LBS	\$16.00					\$16.00
PHOSPHORUS (P205)	\$0.40		LBS	\$16.00					\$16.00
HERBICIDE	\$15.41		ACRE	\$15.41					\$15.41
HERBICIDE (CUSTOM) INSECTICIDE (CUSTOM)	\$15.68 \$14.86		ACRE X/ACRE	\$15.68 \$29.72					\$15.68 \$29.72
CROP INSURANCE	\$14.80	2	MACKE	\$1.47					\$1.47
PUMP WATER*		28	AC. IN.	Ψ1.47					Ψ1.47
SUBTOTAL				\$283.03					\$283.03
	POWER	ACCOMPLIS	SHMENT	PURCHASED		FUEL &		FIXED	
PREHARVEST OPERATIONS	UNIT	RAT	E	INPUTS	LABOR	LUBE	REPAIRS	COST	TOTAL
DISC	145 HP	0.17	HR		\$1.45	\$5.37	\$1.89	\$5.54	\$14.25
PLOW	145 HP	0.48			\$4.10	\$15.17	\$4.94	\$13.54	\$37.76
FLOAT	130 HP	0.16	HR		\$1.37	\$5.05	\$0.64	\$5.75	\$12.81
FERTILIZE	DEALER APPLIED								
LISTER	130 HP	0.18			\$1.54	\$5.69	\$1.07	\$8.74	\$17.03
PRE-IRRIGATE	00.110	0.25			\$1.88	\$29.16	\$0.29	\$2.60	\$33.92
CULT & SPRAY PLANTER	96 HP 130 HP	0.26 0.26			\$2.22 \$2.22	\$4.04 \$8.21	\$1.06 \$1.46	\$4.78 \$18.21	\$12.11 \$30.11
CULTIVATOR (3X)	96 HP	0.20			\$5.39	\$9.78	\$2.16	\$4.67	\$22.00
HAND HOE (CUSTOM)	30111	0.00	1111	\$20.00	ψ5.55	ψ3.70	Ψ2.10	Ψ4.07	\$20.00
DITCHER (2X)	130 HP	0.10	HR	4	\$0.86	\$3.16	\$0.40	\$4.05	\$8.46
IRRIGATE (3X)		0.75	HR		\$5.63	\$87.48	\$0.86	\$7.79	\$101.75
SUBTOTAL		3.24	HR	\$20.00	\$26.65	\$173.11	\$14.76	\$75.67	\$310.19
HARVEST OPERATIONS									
OOTTON OTDIDDED	400 UD	4.04	ш		640.00	600.40	60.00	604.47	6447.04
COTTON STRIPPER HAUL	130 HP 96 HP	1.24 1.50			\$10.60 \$12.83	\$39.18 \$23.29	\$6.06 \$1.49	\$61.17 \$13.27	\$117.01 \$50.87
GIN COTTON (CUSTOM)	90 HF	1.50	ПК	\$159.08	\$12.03	φ23.29	\$1.49	φ13.21	\$159.08
,				*					*
SUBTOTAL		2.74	HR	\$159.08	\$23.43	\$62.47	\$7.55	\$74.44	\$326.96
POSTHARVEST OPERATIONS									
SHREDDER	96 HP	0.14	HR		\$1.20	\$4.42	\$0.61	\$9.40	\$15.63
SUBTOTAL		0.14	HR	•	\$1.20	\$4.42	\$0.61	\$9.40	\$15.63
OVERHEAD EXPENSES									
DOWNTIME		1.28	HR		\$10.94				\$10.94
EMPLOYEE BENEFITS					\$9.23				\$9.23
INSURANCE				\$1.03					\$1.03
LAND TAXES								\$1.45	\$1.45
SUPERVISION AND MANAGEMEN	NI			P02.24	\$61.82				\$61.82
OTHER EXPENSES				\$83.24					\$83.24
SUBTOTAL		1.28	HR	\$84.26	\$82.00		•	\$1.45	\$167.71
TOTAL OPERATING EXPENSES		7.40	HR	\$546.37	\$133.27	\$240.00	\$22.93	\$160.96	\$1,103.53
NET OPERATING PROFIT									(\$270.50)
INTEREST ON OPERATING CAPI INTEREST ON EQUIPMENT INVE		( \$195.58	@	5.50%	)				\$10.76 \$62.61
RETURN TO LAND AND RISK									(\$343.87)

* Pump water costs are shown under irrigation	in the preharvest operations section. BUDGET SUMMARY
GROSS RETURN	\$833.03

GROSS RETURN		\$833.03	
VARIABLE OPERATING EXPENSES	\$809.30		
RETURN OVER VARIABLE EXPENSES		\$23.73	(GROSS MARGIN)
FIXED EXPENSES	\$160.96		
NET FARM INCOME		(\$137.23)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$133.27		
NET OPERATING PROFIT		(\$270.50)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$73.37		
RETURN TO LAND AND RISK		(\$343.87)	

TABLE 12. Summary of per acre costs and returns for a 320 acre farm with above average management, Roswell-Hagerman area, Chaves County, Actual 2014

	ALFALFA ESTABLISHEMENT	ALFALFA HAY	WHEAT	OAT HAY	PICKER COTTON	STRIPPER COTTON
		TONS	CWT	TONS	LBS	LBS
PRIMARY YIELD		5.80	40.00	5.00	750.00	750.00
PRIMARY PRICE		\$255.00	\$11.67	\$195.00	\$0.90	\$0.85
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$87.53	\$87.53
SECOND INCOME		\$0.00	\$44.00	\$0.00	\$108.00	\$108.00
GROSS RETURN		\$1,479.00	\$510.67	\$975.00	\$870.53	\$833.03
CASH OPERATING EXPENSES						
SEED	\$180.00		\$280.00	\$68.80	\$151.00	\$188.75
FERTILIZER	\$8.77	\$82.00	\$95.00	\$42.50	\$32.00	\$32.00
CHEMICALS		\$65.13	\$18.62		\$70.13	\$60.81
CROP INSURANCE			\$1.96		\$1.47	\$1.47
OTHER PURCHASED INPUTS		\$0.18				
CANAL WATER						
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$37.70	\$40.78	\$30.43	\$33.45	\$105.15	\$123.36
FUEL-IRRIGATION	\$66.65	\$224.94	\$116.64	\$87.48	\$116.64	\$116.64
REPAIRS	\$12.08	\$8.67	\$10.01	\$7.82	\$25.24	\$22.93
CUSTOM CHARGES			\$22.18		\$143.60	\$179.08
LAND TAXES	4	\$1.45	\$1.45	\$1.45	\$1.45	\$1.45
OTHER EXPENSES	\$0.30	\$83.79	\$83.57	\$83.64	\$84.18	\$84.26
TOTAL CASH EXPENSES	\$305.49	\$506.92	\$659.86	\$325.13	\$730.84	\$810.75
RETURN OVER CASH EXPENSES	(\$305.49)	\$972.08	(\$149.20)	\$649.87	\$139.68	\$22.28
FIXED EXPENSES	\$45.10	\$200.77	\$42.06	\$58.77	\$279.50	\$159.51
TOTAL EXPENSES	\$350.59	\$707.70	\$701.92	\$383.90	\$1,010.35	\$970.25
NET FARM INCOME	(\$350.59)	\$771.30	(\$191.26)	\$591.10	(\$139.82)	(\$137.23)
LABOR AND MANAGEMENT COSTS	\$46.98	\$142.49	\$59.16	\$96.63	\$129.53	\$133.27
NET OPERATING PROFIT	(\$397.57)	\$628.82	(\$250.42)	\$494.47	(\$269.35)	(\$270.50)
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL		\$7.39	\$13.14	\$4.66	\$9.90	\$10.76
INTEREST ON EQUIPMENT INVESTMENT		\$43.68	\$18.33	\$22.33	\$22.33	\$62.61
TOTAL CAPITAL COSTS	\$0.00	\$51.07	\$31.47	\$26.99	\$32.23	\$73.37
RETURN TO LAND AND RISK	(\$397.57)	\$577.75	(\$281.89)	\$467.48	(\$301.58)	(\$343.87)

Flex Computation -221.50 548.58 0.25 -121.75

TABLE 13. Whole farm summary, Roswell-Hagerman Area, Chaves County, Actual 2014

Actual 2014					
GROSS RETURNS					
ALFALFA HAY	175 00	ACRES			
CROP	170.00	HORLE	\$258,825		
WHEAT	25.50	ACRES	Ψ200,020		
CROP	25.50	ACINES	\$11,900		
GRAZING			\$1,122		
DIRECT PAYMENT			\$0		
COUNTER CYCLICAL PAYMENT			\$0		
OAT HAY	41.50	ACRES			
CROP			\$40,463		
UPLAND COTTON (PICKER)	34.00	ACRES			
COTTON LINT			\$22,950		
COTTON SEED			\$3,672		
DIRECT PAYMENT			\$0		
COUNTER CYCLICAL PAYMENT			\$2,976		
UPLAND COTTON (STRIPPER)	34.00	ACRES	Ψ2,0.0		
COTTON LINT	34.00	ACINES	\$21,675		
COTTON SEED			\$3,672		
DIRECT PAYMENT			\$0		
COUNTER CYCLICAL PAYMENT			\$2,976		
GROSS RETURN				-	\$370,230
CASH OPERATING EXPENSES					
SEED SEED			¢07.047		
			\$27,847		
FERTILIZER			\$21,019		
CHEMICALS			\$16,324		
CROP INSURANCE			\$150		
OTHER PURCHASED INPUTS			\$31		
CANAL WATER			\$0		
FUEL, OIL & LUBRICANTS-EQUIPMENT			\$18,389		
FUEL-IRRIGATION			\$56,233		
REPAIRS			\$4,157		
CUSTOM CHARGES			\$11,537		
LAND TAXES			\$449		
OTHER EXPENSES			\$26,002		
OTTIER EXI ENGES			Ψ20,002		
TOTAL CASH EXPENSES			· <del>-</del>	\$182,137	
RETURN OVER CASH EXPENSES					\$188,093
FIXED EXPENSES			\$41,237		
TOTAL EXPENSES				\$223,374	
NET FARM INCOME					\$1.46.0E7
NET FARM INCOME					\$146,857
LABOR AND MANAGEMENT COSTS			\$41,033		
NET OPERATING PROFIT					\$105,823
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL			\$2,524		
INTEREST ON EQUIPMENT INVESTMEN	NT		\$11,926		
TOTAL CAPITAL COSTS			·	\$14,451	
RETURN TO LAND AND RISK				_	\$91,373
				·=	

	RETURN	RETURN ON
LAND VALUE	TO RISK*	INVESTMENT**
\$1,000 /ACRE	\$81,773	18.07%
\$3,000 /ACRE	\$62,573	8.63%
\$5,000 /ACRE	\$43,373	5.67%
\$7,000 /ACRE	\$24,173	4.22%
\$9.000 /ACRE	\$4.973	3.36%

 $<sup>^{\</sup>star}$  RETURN TO LAND AND RISK MINUS (INTEREST RATE TIMES LAND VALUE TIMES ACREAGE)  $^{\star\star}$  NET OPERATING PROFIT DIVIDED BY (MACHINERY AND EQUIPMENT VALUE PLUS LAND VALUE)