

TABLE 1. Acreage Summary, Quay County,  
Autual 2023

BUDGET AREA.....	SAN JON-NARA VISA AREA, QUAY COUNTY	
FARM SIZE.....	800 ACRES	
IRRIGATION TYPE.....	DRYLAND	
NUMBER OF CROPS.....	3	
<hr/>		
ACREAGE SUMMARY:	LAND USE	(ACRES)
<hr/>		
ALFALFA ESTABLISHMENT	6.00	*
ALFALFA	60.00	
GRAIN SORGHUM	289.00	
ARP	0.00	
FLEX IN GRAIN SORGHUM	51.00	
WHEAT	340.00	
ARP	0.00	
FLEX IN GRAIN SORGHUM	60.00	
<hr/>		
TOTAL	800.00	

\* DOUBLE-CROPPED

TABLE 2. Basic cost information for the San Jon-Nara Visa area, Quay County,  
Autual 2023

Item			
<hr/>			
Labor Wage Rate:			
Equipment operators		\$/hour	\$20.00
General & Irrigators		\$/hour	\$16.60
Purchased Inputs:			
Seed:			
Alfalfa		\$/pound	\$4.50
Grain Sorghum		\$/pound	\$2.05
Wheat		\$/pound	\$0.50
Energy:			
Diesel fuel		\$/gallon	\$4.33
Gasoline		\$/gallon	\$2.99
Employee Liability Insurance		\$/(\$1,000 wages)	\$20.00
Employee Benefits		percent/wages	18.00%
Labor Downtime		percent	25.00%
Financial Rates:			
Operating Capital Interest Rate		percent	7.25%
Land Interest Rate		percent	9.15%
Equipment Interest Rate		percent	8.75%
Real Interest Rate		percent	4.25%
Land Taxes		\$38.00 /acre (full value)	\$0.42
Personal Property Tax Rate	-NR - R	\$/(\$1,000 (Assessed Value)	\$33.45 \$27.81
Supervision Factor		\$/labor hour	\$1.00
Management Rate		percent	7.00%

TABLE 3. Overhead cost information for the San Jon-Nara Visa area, Quay County,  
Autual 2023

Item			
<hr/>			
Electricity (Domestic & Shop)		\$236.80 per month	\$2,842
Telephone		\$140.80 per month	\$1,690
Accounting & Legal			\$1,619
Misc. Supplies & Hand Tools			\$2,362
Pickup and Auto			
miles	26,368	@ \$0.665 per mile	\$17,535
Insurance			
- general liability (non-employee)			\$1,542
- fire/theft			\$1,299
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$0
Building repairs and maintenance			\$6,010
Dues, fees, publications			\$1,024
Farmstead Equipment			\$486
Total			\$36,409
Total per planted acre			\$45.51

TABLE 5. Alfalfa establishment, dryland, budgeted per acre costs and returns for an 800 acre farm with above average management, San Jon-Nara Visa area, Quay County, Autual 2023  
Planting dates: August 1 - August 31

ITEM	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL
<b>PURCHASED INPUTS</b>									
ALFALFA SEED	\$4.50	10 LBS		\$45.00					\$45.00
WHEAT SEED	\$0.50	30 LBS		\$15.00					\$15.00
SUBTOTAL				\$60.00					\$60.00
<b>PREHARVEST OPERATIONS</b>									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
SWEEP	145 HP	0.10 HR		\$2.00	\$3.88	\$0.84	\$3.79	\$10.52	
RODWEEDER	96 HP	0.08 HR		\$1.60	\$2.11	\$0.13	\$0.25	\$4.09	
DRILL WHEAT	96 HP	0.09 HR		\$1.80	\$2.37	\$0.17	\$1.50	\$5.85	
FLY ON ALFALFA SEED			\$4.50					\$4.50	
SUBTOTAL		0.27 HR	\$4.50	\$5.40	\$8.37	\$1.15	\$5.54	\$24.96	
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0.07 HR		\$1.35					\$1.35
EMPLOYEE BENEFITS				\$0.97					\$0.97
INSURANCE			\$0.11						\$0.11
SUPERVISION AND MANAGEMENT				\$6.28					\$6.28
SUBTOTAL		0.07 HR	\$0.11	\$8.61					\$8.71
<b>TOTAL OPERATING EXPENSES</b>		0.34 HR	\$64.61	\$14.01	\$8.37	\$1.15	\$5.54	<b>\$93.68</b>	

TABLE 6. Alfalfa hay, dryland, budgeted per acre costs and returns for an 800 acre farm with above average management, San Jon-Nara Visa area, Quay County, Actual 2023  
Harvesting dates: June 15 - October 1

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
ALFALF/ FA HAY	\$301.00	1.50 TONS (IN FIELD)						\$451.50
GRAZING	\$20.00	1.00 ACRE						\$20.00
<b>TOTAL</b>								<b>\$471.50</b>
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
WIRE	\$2.60	13 LBS	\$33.42					\$33.42
ESTABLISHMENT: Principal		6 YEARS					\$15.61	\$15.61
: Interest							\$3.94	\$3.94
<b>SUBTOTAL</b>			<b>\$33.42</b>				<b>\$19.56</b>	<b>\$52.98</b>
<b>HARVEST OPERATIONS</b>								
HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER (3X)	14 FT SP	0.48 HR		\$9.60	\$7.78	\$0.26	\$25.47	\$43.12
BALER (3X)	96 HP	0.63 HR		\$12.60	\$16.61	\$0.64	\$4.10	\$33.96
<b>SUBTOTAL</b>		<b>1.11 HR</b>		<b>\$22.20</b>	<b>\$24.39</b>	<b>\$0.91</b>	<b>\$29.57</b>	<b>\$77.07</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.28 HR		\$5.55				\$5.55
EMPLOYEE BENEFITS				\$4.00				\$4.00
INSURANCE			\$0.44					\$0.44
LAND TAXES							\$0.42	\$0.42
SUPERVISION AND MANAGEMENT				\$34.12				\$34.12
OTHER EXPENSES			\$45.51					\$45.51
<b>SUBTOTAL</b>		<b>0.28 HR</b>	<b>\$45.95</b>	<b>\$43.66</b>			<b>\$0.42</b>	<b>\$90.04</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.39 HR</b>	<b>\$79.38</b>	<b>\$65.86</b>	<b>\$24.39</b>	<b>\$0.91</b>	<b>\$49.55</b>	<b>\$220.09</b>
<b>NET OPERATING PROFIT</b>								<b>\$251.41</b>
INTEREST ON OPERATING CAPITAL		(	\$18.82	@	7.25%	)		\$1.36
INTEREST ON EQUIPMENT INVESTMENT								\$27.02
<b>RETURN TO LAND AND RISK</b>								<b>\$223.02</b>
<b>BUDGET SUMMARY</b>								
GROSS RETURN		\$471.50						
VARIABLE OPERATING EXPENSES	\$104.68							
RETURN OVER VARIABLE EXPENSES	\$366.82	(GROSS MARGIN)						
FIXED EXPENSES	\$49.55							
NET FARM INCOME	\$317.27	(RETURN TO CAPITAL, LABOR, LAND & RISK)						
LABOR AND MANAGEMENT COST	\$65.86							
NET OPERATING PROFIT	\$251.41	(RETURN TO CAPITAL, LAND & RISK)						
CAPITAL COSTS	\$28.38							
RETURN TO LAND AND RISK	\$223.02							

TABLE 7. Grain sorghum, dryland, budgeted per acre costs and returns for an 800 acre farm with above average management, San Jon-Nara Visa area, Quay County, Actual 2023  
 Planting dates: June 1 - July 4  
 Harvesting dates: October 5 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
GRAIN SORGHUM	\$8.96	16.00 CWT		\$143.36
PROGRAM PAYMENT	\$0.00	16.00 CWT	0.85	\$0.00
PLC PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$16.00	1.00 ACRE		\$16.00
<b>TOTAL</b>				<b>\$159.36</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.05	3 LBS	\$5.13		\$5.13
HERBICIDE (CUSTOM)	\$15.07	1 ACRE	\$15.07		\$15.07
CROP INSURANCE	\$0.13		\$0.13		\$0.13
<b>SUBTOTAL</b>			<b>\$20.32</b>		<b>\$20.32</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP	145 HP	0.10 HR		\$2.00	\$3.88	\$0.84	\$3.79	\$10.52
ROD WEED	96 HP	0.08 HR		\$1.60	\$2.11	\$0.13	\$0.25	\$4.09
LISTER/PLANTER	96 HP	0.18 HR		\$3.60	\$4.75	\$0.46	\$2.17	\$10.97
CULTIVATOR (2X)	96 HP	0.26 HR		\$5.20	\$6.86	\$0.88	\$1.27	\$14.20
<b>SUBTOTAL</b>		<b>0.62 HR</b>		<b>\$12.40</b>	<b>\$17.59</b>	<b>\$2.31</b>	<b>\$7.48</b>	<b>\$39.79</b>

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE	22 FT	0.14 HR		\$2.80	\$5.06	\$0.36	\$11.78	\$20.00
HAUL	2 TON	0.14 HR		\$2.80	\$3.85	\$0.90	\$6.56	\$14.12
<b>SUBTOTAL</b>		<b>0.28 HR</b>		<b>\$5.60</b>	<b>\$8.91</b>	<b>\$1.26</b>	<b>\$18.34</b>	<b>\$34.12</b>

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.23 HR		\$4.50				\$4.50
EMPLOYEE BENEFITS			\$4.05				\$4.05
INSURANCE			\$0.36				\$0.36
LAND TAXES						\$0.42	\$0.42
SUPERVISION AND MANAGEMENT			\$12.06				\$12.06
OTHER EXPENSES			\$45.51				\$45.51
<b>SUBTOTAL</b>	<b>0.23 HR</b>		<b>\$45.87</b>	<b>\$20.61</b>		<b>\$0.42</b>	<b>\$66.90</b>

TOTAL OPERATING EXPENSES 1.35 HR \$51.00 \$38.61 \$26.51 \$3.57 \$26.25 \$145.93

NET OPERATING PROFIT \$13.43

INTEREST ON OPERATING CAPITAL ( \$15.98 @ 7.25% ) \$1.16  
 INTEREST ON EQUIPMENT INVESTMENT \$15.04

RETURN TO LAND AND RISK (\$2.77)

BUDGET SUMMARY			
GROSS RETURN		\$159.36	
VARIABLE OPERATING EXPENSES	\$81.08		
RETURN OVER VARIABLE EXPENSES	\$78.28		(GROSS MARGIN)
FIXED EXPENSES	\$26.25		
NET FARM INCOME	\$52.03		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$38.61		
NET OPERATING PROFIT	\$13.43		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$16.20		
RETURN TO LAND AND RISK			(\$2.77)

TABLE 8. Wheat, dryland, budgeted per acre costs and returns for an 800 acre farm with above average management, San Jon-Nara Visa area, Quay County, Autual 2023  
 Planting dates: September 1 - September 15  
 Harvesting dates: June 15 - July 15

ITEM	PRICE	YIELD	BASE						TOTAL	
<b>GROSS RETURNS</b>										
WHEAT	\$5.80	14.00 BUSHEL							\$81.20	
PROGRAM PAYMENT	\$0.00	14.00 BUSHEL	0.85						\$0.00	
PLC PAYMENT	\$0.00								\$0.00	
GRAZING	\$20.00	1.00 ACRE							\$20.00	
<b>TOTAL</b>								<b>\$101.20</b>		
<b>PURCHASED INPUTS</b>										
	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL	
SEED	\$0.50	25 LBS	\$12.50						\$12.50	
CROP INSURANCE	\$0.15		\$0.15						\$0.15	
<b>SUBTOTAL</b>								<b>\$12.65</b>		
<b>PREHARVEST OPERATIONS</b>										
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL		
SWEEP (2X)	145 HP	0.26 HR		\$5.20	\$10.09	\$2.20	\$9.86	\$27.35		
RODWEED	145 HP	0.16 HR		\$3.20	\$6.21	\$0.98	\$5.78	\$16.17		
DRILL	96 HP	0.09 HR		\$1.80	\$2.37	\$0.17	\$1.50	\$5.85		
<b>SUBTOTAL</b>		0.51 HR		\$10.20	\$18.68	\$3.35	\$17.14	\$49.37		
<b>HARVEST OPERATIONS</b>										
COMBINE	22 FT	0.14 HR		\$2.80	\$5.06	\$0.36	\$12.49	\$20.71		
HAUL	2 TON	0.14 HR		\$2.80	\$3.85	\$0.90	\$6.56	\$14.12		
<b>SUBTOTAL</b>		0.28 HR		\$5.60	\$8.91	\$1.26	\$19.06	\$34.83		
<b>OVERHEAD EXPENSES</b>										
DOWNTIME		0.20 HR		\$0.74				\$0.74		
EMPLOYEE BENEFITS				\$2.37				\$2.37		
INSURANCE			\$0.32				\$0.32			
LAND TAXES							\$0.42	\$0.42		
SUPERVISION AND MANAGEMENT				\$5.06				\$5.06		
OTHER EXPENSES			\$45.51				\$45.51			
<b>SUBTOTAL</b>		0.20 HR	\$45.83	\$8.17				\$0.42	\$54.42	
<b>TOTAL OPERATING EXPENSES</b>		0.99 HR	\$58.33	\$23.97	\$27.59	\$4.61	\$36.62	\$151.12		
<b>NET OPERATING PROFIT</b>									<b>(\$49.92)</b>	
INTEREST ON OPERATING CAPITAL		( \$12.68 @	7.25%	)				\$0.92		
INTEREST ON EQUIPMENT INVESTMENT								\$20.51		
<b>RETURN TO LAND AND RISK</b>									<b>(\$71.35)</b>	
<b>BUDGET SUMMARY</b>										
GROSS RETURN		\$101.20								
VARIABLE OPERATING EXPENSES	\$90.53									
RETURN OVER VARIABLE EXPENSES	\$10.67	(GROSS MARGIN)								
FIXED EXPENSES	\$36.62									
NET FARM INCOME	(\$25.95)	(RETURN TO CAPITAL, LABOR, LAND & RISK)								
LABOR AND MANAGEMENT COST	\$23.97									
NET OPERATING PROFIT	(\$49.92)	(RETURN TO CAPITAL, LAND & RISK)								
CAPITAL COSTS	\$21.43									
RETURN TO LAND AND RISK	(\$71.35)									

TABLE 9. Summary of per acre costs and returns for an 800 acre farm, San Jon-Nara Visa area, Quay County,  
Autual 2023

	ALFALFA ESTABLISHMENT	ALFALFA HAY	GRAIN SORGHUM	WHEAT
		TONS	CWT	BU
PRIMARY YIELD		1.50	16.00	14.00
PRIMARY PRICE		\$301.00	\$8.96	\$5.80
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00
SECOND INCOME		\$20.00	\$16.00	\$20.00
GROSS RETURN		\$471.50	\$159.36	\$101.20
CASH OPERATING EXPENSES				
SEED	\$45.00		\$5.13	\$12.50
FERTILIZER	\$15.00			
CHEMICALS				
CROP INSURANCE			\$0.13	\$0.15
OTHER PURCHASED INPUTS	\$0.11	\$33.87	\$0.36	\$0.32
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$8.37	\$24.39	\$26.51	\$27.59
FUEL-IRRIGATION				
REPAIRS	\$1.15	\$0.91	\$3.57	\$4.61
CUSTOM CHARGES	\$4.50	\$0.00		
LAND TAXES		\$0.42	\$0.42	\$0.42
OTHER EXPENSES		\$45.51	\$45.51	\$45.51
TOTAL CASH EXPENSES	\$74.13	\$105.10	\$81.62	\$91.10
RETURN OVER CASH EXPENSES	(\$74.13)	\$366.40	\$77.74	\$10.10
FIXED EXPENSES	\$5.54	\$49.13	\$25.83	\$36.20
TOTAL EXPENSES	\$79.67	\$154.23	\$107.45	\$127.30
NET FARM INCOME	(\$79.67)	\$317.27	\$51.91	(\$26.10)
LABOR AND MANAGEMENT COSTS	\$14.01	\$65.86	\$38.61	\$23.97
NET OPERATING PROFIT	(\$93.68)	\$251.41	\$13.30	(\$50.07)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$1.36	\$1.16	\$0.92
INTEREST ON EQUIPMENT INVESTMENT		\$27.02	\$15.04	\$20.51
TOTAL CAPITAL COSTS	\$0.00	\$28.38	\$16.20	\$21.43
RETURN TO LAND AND RISK	(\$93.68)	\$223.02	(\$2.90)	(\$71.50)

TABLE 10. Whole farm summary, San Jon-Nara Visa area, Quay County,  
Autual 2023

GROSS RETURNS		
ALFALFA HAY	60.00 ACRES	
CROP		\$27,090
GRAZING		\$1,200
GRAIN SORGHUM	400.00 ACRES	
CROP		\$57,344
GRAZING		\$6,400
PLC PAYMENT		\$0
WHEAT	340.00 ACRES	
CROP		\$27,608
GRAZING		\$6,800
PROGRAM PAYMENT		\$0
PLC PAYMENT		\$0
GROSS RETURN		<u>\$126,442</u>
CASH OPERATING EXPENSES		
SEED		\$6,570
FERTILIZER		\$90
CHEMICALS		\$0
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$2,284
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$21,499
FUEL-IRRIGATION		\$0
REPAIRS		\$3,058
CUSTOM CHARGES		\$27
LAND TAXES		\$339
OTHER EXPENSES		\$36,409
TOTAL CASH EXPENSES		<u>\$70,375</u>
RETURN OVER CASH EXPENSES		\$56,067
FIXED EXPENSES		\$24,681
TOTAL EXPENSES		\$95,056
NET FARM INCOME		\$31,386
LABOR AND MANAGEMENT COSTS		\$27,627
NET OPERATING PROFIT		\$3,758
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$858
INTEREST ON EQUIPMENT INVESTMENT		\$14,612
TOTAL CAPITAL COSTS		<u>\$15,470</u>
RETURN TO LAND AND RISK		<u>(\$11,711)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$16,811)	1.47%
\$300 /ACRE	(\$21,911)	1.00%
\$450 /ACRE	(\$27,011)	0.76%
\$600 /ACRE	(\$32,111)	0.61%
\$750 /ACRE	(\$37,211)	0.51%
\$900 /ACRE	(\$42,311)	0.44%

\* 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)