

Table 10A. Income and Cash Operating Cost Summary, Grain Sorghum (Spring), 1996

COUNTY: La Paz                      FARM: LaPaz County Farm                      WATER SOURCE: BIA                      TILLAGE: Conventional  
 CROP: Sorghum(Milo), Grain      ACRES: 1.0                      IRRIGATION SYSTEM: Flood Furrow      SOIL: Sandy-Loam  
 AREA: Parker CRIR                  YIELD: 3,600.0 Lb/Acre          PREVIOUS CROP: Cotton, Upland          DATE: 10/02/96

| Item   | Unit  | Quantity | Price /Unit | Budgeted /Acre | Total /Acre | Your Farm Budget |
|--|-------|----------|-------------|----------------|-------------|------------------|
| INCOME -> Grain  | Pound | 3,600.00 | \$0.0682    | \$245.52       | \$245.52    |                  |
| CASH LAND PREPARATION AND GROWING EXPENSES (including sales tax) |       |          |             |                |             |                  |
| Paid Labor (including benefits)                                  |       |          |             |                | 40.78       |                  |
| Tractor/Self Propelled   |       |          |             | 23.35          |             |                  |
| Irrigation   |       |          |             | 17.43          |             |                  |
| Chemicals & Custom Applications                                  |       |          |             |                | 71.65       |                  |
| Fertilizers  |       |          |             | 44.19          |             |                  |
| Insecticides   |       |          |             | 13.51          |             |                  |
| Herbicides   |       |          |             | 13.95          |             |                  |
| Farm Machinery and Vehicles                                      |       |          |             |                | 31.33       |                  |
| Diesel Fuel  |       |          |             | 15.06          |             |                  |
| Repairs & Maint.   |       |          |             | 16.27          |             |                  |
| Irrigation Water (excluding labor)                               |       |          |             |                | 0.00        |                  |
| Water Assessment (See Note Below) **                             |       |          |             |                | **          |                  |
| Other Purchased Inputs & Services                                |       |          |             |                | 10.40       |                  |
| Seed/Transplants   |       |          |             | 10.40          |             |                  |
| TOTAL CASH LAND PREPARATION AND GROWING EXPENSES                 |       |          |             |                | 154.16      |                  |
| CASH HARVEST AND POST HARVEST EXPENSES                           |       |          |             |                |             |                  |
| Paid Labor (including benefits)                                  |       |          |             |                | 1.45        |                  |
| Tractor/Self Propelled   |       |          |             | 1.45           |             |                  |
| Farm Machinery and Vehicles                                      |       |          |             |                | 1.56        |                  |
| Diesel Fuel  |       |          |             | 0.72           |             |                  |
| Repairs & Maint.   |       |          |             | 0.85           |             |                  |
| Custom Harvest/Post Harvest                                      |       |          |             |                | 39.10       |                  |
| TOTAL HARVEST AND POST HARVEST EXPENSE                           |       |          |             |                | 42.11       |                  |
| OPERATING OVERHEAD->PICKUP USE                                   |       |          |             |                | 7.88        |                  |
| OPERATING INTEREST AT 9.0%                                       |       |          |             |                | 3.84        |                  |
| TOTAL CASH OPERATING EXPENSES                                    |       |          |             |                | \$207.99    |                  |
| RETURNS OVER CASH OPERATING EXPENSES                             |       |          |             |                | \$37.53     |                  |

Notes: The above figures do not include ownership costs, see Table 10B on Next Page for detailed cost allocation.

\*\* A water assessment charge of \$31.50/Acre is included in the ownership costs of Table 10B.

Table 10B. Allocation of Ownership Costs; Grain Sorghum (Spring), 1996

COUNTY: La Paz FARM: LaPaz County Farm WATER SOURCE: BIA TILLAGE: Conventional  
 CROP: Sorghum(Milo), Grain ACRES: 1.0 IRRIGATION SYSTEM: Flood Furrow SOIL: Sandy-Loam  
 AREA: Parker CRIR YIELD: 3,600.0 Lb/Acre PREVIOUS CROP: Cotton, Upland DATE: 10/02/96

| Item  | - CASH COST BASIS (\$/ACRE) - |             | - TOTAL COST BASIS (\$/ACRE) - |             |
|---|-------------------------------|-------------|--------------------------------|-------------|
|   | Income & Costs                | Net Returns | Income & Costs                 | Net Returns |
| TOTAL INCOME at \$ 0.0682/Lb                      | \$245.52                      |             | \$245.52                       |             |
| TOTAL OPERATING EXPENSES                          | 207.98                        |             | 207.98                         |             |
| RETURN OVER CASH OPERATING EXPENSES               |                               | \$37.53     |                                | \$37.53     |
| CASH OVERHEAD EXPENSES                            |                               |             |                                |             |
| Taxes, Housing & Insur., Farm Machinery           | 3.54                          |             | 3.54                           |             |
| Gen. & Off. Overhead ( 5% of Tot. Oper. Exp.)     | 10.39                         |             | 10.39                          |             |
| General Farm Maint. ( 3% of Tot. Oper. Exp.)      | 6.24                          |             | 6.24                           |             |
| Total Cash Overhead Expenses                      | <u>20.17</u>                  |             | <u>20.17</u>                   |             |
| Total Cash Oper. & Over. Cost                     | 228.16                        |             | 228.16                         |             |
| RETURNS OVER CASH OPER. & OVER. EXPENSES.         |                               | 17.35       |                                | 17.35       |
| CAPITAL ALLOCATIONS (100% Equity)                 |                               |             |                                |             |
| Capital Replacement, Machinery & Vehicles         |                               |             | 19.10                          |             |
| Interest on Equity, Machinery & Vehicles          |                               |             | 8.38                           |             |
| Total Capital Allocations                         |                               |             | <u>27.47</u>                   |             |
| RETURNS TO LAND, CAPITAL, MANAGEMENT & RISK       |                               | 17.35       |                                |             |
| RETURNS TO LAND, MANAGEMENT & RISK                |                               |             |                                | ( 10.12)    |
| Land Cost / Rent or Lease                         | 100.00                        |             | 100.00                         |             |
| Water Assessment **                               | 31.50                         |             | 31.50                          |             |
| Total Land Costs                                  | <u>131.50</u>                 |             | <u>131.50</u>                  |             |
| RETURNS TO MANAGEMENT, CAPITAL & RISK             |                               | ( 114.14)   |                                |             |
| RETURNS TO MANAGEMENT & RISK                      |                               |             |                                | ( 141.62)   |
| Management Services ( 8% of Tot. Oper. Exp.)      |                               |             | 16.63                          |             |
| TOTAL OWNERSHIP COST                              | <u>151.67</u>                 |             | <u>195.79</u>                  |             |
| TOTAL COST  | <u>=====</u><br>\$359.66      |             | <u>=====</u><br>\$403.78       |             |
| RETURN TO MANAGEMENT, CAPITAL & RISK              |                               | ( \$114.14) |                                |             |
| RETURN TO RISK (PROFITS)                          |                               |             |                                | ( \$158.26) |
| <hr/>   |                               |             |                                |             |
| BREAK-EVEN PRICE TO COVER OPERATING COST (PER Lb) |                               | \$0.0577    |                                | \$0.0577    |
| BREAK-EVEN PRICE TO COVER OWNERSHIP COST          |                               | \$0.0421    |                                | \$0.0543    |
| BREAK-EVEN PRICE TO COVER TOTAL COST              |                               | \$0.0999    |                                | \$0.1121    |

Table 10C. Variable Operating Costs; Grain Sorghum (Spring), 1996

COUNTY: La Paz FARM: LaPaz County Farm WATER SOURCE: BIA TILLAGE: Conventional  
 CROP: Sorghum(Milo), Grain ACRES: 1.0 IRRIGATION SYSTEM: Flood Furrow SOIL: Sandy-Loam  
 AREA: Parker CRIR YIELD: 3,600.0 Lb/Acre PREVIOUS CROP: Cotton, Upland DATE: 10/02/96

| No.                            | First Month | Operation                   | — Hours * — |       | Operating Costs (\$/Acre*) |         |           |           | Total | Times | Tot. Cash Expense | Class |   |
|--------------------------------|-------------|-----------------------------|-------------|-------|----------------------------|---------|-----------|-----------|-------|-------|-------------------|-------|---|
|                                |             |                             | Machine     | Labor | Fuel/Rps.                  | Labor   | Cust/Ser. | Materials |       |       |                   |       |   |
| 1                              | Feb         | Disk                        | 0.300       | 0.333 | 4.76                       | 2.90    |           |           | 7.66  | 2.0   | 15.32             | L     |   |
| 2                              | Feb         | Rip                         | 0.300       | 0.333 | 5.36                       | 2.90    |           |           | 8.26  | 1.0   | 8.26              | L     |   |
| 3                              | Feb         | List                        | 0.180       | 0.200 | 2.50                       | 1.74    |           |           | 4.24  | 1.0   | 4.24              | L     |   |
| 4                              | Feb         | Make Borders                | 0.113       | 0.125 | 0.89                       | 1.09    |           |           | 1.98  | 1.0   | 1.98              | G     |   |
| 5                              | Mar         | Irrigate/Run Fertilizer     |             | 0.400 |                            | 2.90    |           | 11.05     | 13.95 | 4.0   | 55.80             | G     |   |
| 6                              | Mar         | Knock Borders               | 0.090       | 0.100 | 0.75                       | 0.87    |           |           | 1.62  | 3.0   | 4.86              | G     |   |
| 7                              | Mar         | Disk                        | 0.150       | 0.167 | 1.42                       | 1.45    |           |           | 2.87  | 1.0   | 2.87              | L     |   |
| 8                              | Mar         | Plant                       | 0.150       | 0.167 | 2.17                       | 1.45    |           | 10.39     | 14.01 | 1.0   | 14.01             | L     |   |
| 9                              | Mar         | Make Borders                | 0.113       | 0.125 | 0.71                       | 1.09    |           |           | 1.80  | 1.0   | 1.80              | G     |   |
| 10                             | Apr         | Apply Herbicide/Air         |             |       |                            |         |           | 8.32      | 5.63  | 13.95 | 1.0               | 13.95 | G |
| 11                             | Apr         | Apply Insecticide/Air       |             |       |                            |         |           | 6.00      | 7.51  | 13.51 | 1.0               | 13.51 | G |
| 12                             | Apr         | Rerun Borders               | 0.090       | 0.100 | 0.57                       | 0.87    |           |           | 1.44  | 1.0   | 1.44              | G     |   |
| 13                             | Apr         | Cultivate                   | 0.150       | 0.167 | 1.19                       | 1.45    |           |           | 2.64  | 1.0   | 2.64              | G     |   |
| 14                             | Apr         | Irrigate                    |             | 0.400 |                            | 2.90    |           |           | 2.90  | 2.0   | 5.80              | G     |   |
| 15                             | Jul         | Combine Harvest             |             |       |                            |         |           | 30.10     |       | 30.10 | 1.0               | 30.10 | H |
| 16                             | Jul         | Haul, Custom 36.0 CW        |             |       |                            |         |           | 9.00      |       | 9.00  | 1.0               | 9.00  | H |
| 17                             | Aug         | Cut Stalks                  | 0.150       | 0.167 | 1.56                       | 1.45    |           |           | 3.01  | 1.0   | 3.01              | P     |   |
| 18                             | Aug         | Disk Residue                | 0.300       | 0.333 | 4.76                       | 2.90    |           |           | 7.66  | 1.0   | 7.66              | L     |   |
|                                |             | Pickup Use 30 Mi/Ac         | 1.000       |       | 7.87                       |         |           |           |       |       | 7.87              | O     |   |
|                                |             | Operating Interest at 9.00% |             |       |                            |         |           | 3.83      |       |       | 3.83              | O     |   |
| TOTAL CASH OPERATING EXPENSES: |             |                             |             |       | \$40.77                    | \$42.20 | \$57.25   | \$67.73   |       |       | \$207.95          | T     |   |

\* NOTES: Machine and labor hours and operating cost are for one time over the designated acreage. The 'Tot. Cash Expense' column and the 'TOTAL CASH OPERATING EXPENSES:' row include all operations, all times over. Classes are defined below. A water assessment charge of \$31.50/Acre included as ownership cost in Table 10B.

| OPERATING COST SUMMARY BY CLASS |          | SENSITIVITY OF NET REVENUES OVER TOTAL CASH EXPENSES (\$/Acre) |         |          |          |          |          |          |            |
|---------------------------------|----------|--|---------|----------|----------|----------|----------|----------|------------|
|                                 |          | Prices ->  |         | -25%     | -10%     | Budgeted | +10%     | +25%     |            |
| Land Preparation (L)            | \$52.35  |  |         |          |          |          |          |          |            |
| Growing (G)                     | 101.77   |  |         |          |          |          |          |          |            |
| Harvest (H)                     | 39.10    | Yields   |         | \$0.05   | \$0.06   | \$0.06   | \$0.07   | \$0.08   | Break-even |
| Post Harvest (P)                | 3.01     |  |         |          |          |          |          |          |            |
| Marketing (M)                   | 0.00     | -25%   | 2,700.0 | -59.31   | -31.69   | -13.28   | 5.13     | 32.75    | 0.07       |
| Operating Overhead (O)          | 11.70    | -10%   | 3,240.0 | -38.01   | -4.86    | 17.22    | 39.32    | 72.47    | 0.06       |
|                                 |          | Budgeted   | 3,600.0 | -23.80   | 13.01    | 37.57    | 62.12    | 98.95    | 0.05       |
| Total (T)                       | \$207.94 | +10%   | 3,960.0 | -9.60    | 30.90    | 57.91    | 84.91    | 125.42   | 0.05       |
|                                 |          | +25%   | 4,500.0 | 11.69    | 57.73    | 88.42    | 119.11   | 165.14   | 0.04       |
|                                 |          | Break-even Yield   |         | 4,203.51 | 3,337.97 | 2,935.07 | 2,618.95 | 2,254.69 |            |

Table 10D. Resource and Cash Flow Requirements; Grain Sorghum (Spring), 1996

COUNTY: La Paz FARM: LaPaz County Farm WATER SOURCE: BIA TILLAGE: Conventional  
 CROP: Sorghum(Milo), Grain ACRES: 1.0 IRRIGATION SYSTEM: Flood Furrow SOIL: Sandy-Loam  
 AREA: Parker CRIR YIELD: 3,600.0 Lb/Acre PREVIOUS CROP: Cotton, Upland DATE: 10/02/96

| Month *                    | Number Irrig. | Water Applied (Inches) | Total Labor (Hrs) | Operating Cost (\$/Acre) |                     |              |              |                 |              |               |
|----------------------------|---------------|------------------------|-------------------|--------------------------|---------------------|--------------|--------------|-----------------|--------------|---------------|
|                            |               |                        |                   | Purchased Water          | Fuel, Oil & Repairs | Labor        | Chemicals    | Other Purchases | Services     | Total         |
| FEB C                      |               |                        | 1.32              |                          | 18.27               | 11.52        |              |                 |              | 29.79         |
| MAR C                      | 1.0           | 6.0                    | 0.95              |                          | 5.05                | 7.77         | 11.05        | 10.40           |              | 34.26         |
| APR C                      | 3.0           | 18.0                   | 1.56              |                          | 2.50                | 11.91        | 35.24        |                 | 14.32        | 63.97         |
| MAY C                      | 2.0           | 12.0                   | 0.80              |                          |                     | 5.81         | 11.05        |                 |              | 16.86         |
| JUL C                      |               |                        |                   |                          |                     |              |              |                 | 13.25        | 13.25         |
| AUG C                      |               |                        | 0.60              |                          | 7.07                | 5.22         |              |                 | 13.25        | 25.54         |
| Pickup Use 30 Mi/Ac        |               |                        |                   |                          | 7.87                |              |              |                 |              | 7.87          |
| Operating Interest at 9.0% |               |                        |                   |                          |                     |              |              |                 | 3.84         | 3.84          |
| Water Assessment           |               |                        |                   | **                       |                     |              |              |                 |              |               |
| <b>Total</b>               | <b>6.0</b>    | <b>36.0</b>            | <b>5.25</b>       |                          | <b>40.77</b>        | <b>42.23</b> | <b>57.34</b> | <b>10.40</b>    | <b>44.66</b> | <b>195.40</b> |
| %                          |               |                        |                   |                          | 20.86               | 21.61        | 29.34        | 5.31            | 22.85        | 100.00        |

| TOTAL RESOURCES REQUIREMENTS (/Acre) |           | TOTAL ENERGY REQUIREMENTS (/Acre) |           |
|--------------------------------------|-----------|-----------------------------------|-----------|
| Total N                              | 200.0 lbs | Diesel Fuel                       | 16.3 Gal  |
| Total P                              | 0.0 lbs   | Regular Gas                       | 0.0 Gal   |
| Total K                              | 0.0 lbs   | NonLead Gas                       | 3.0 Gal   |
| Total Labor                          | 5.2 Hrs   |                                   |           |
| Total Water                          | 36.0 AI   | All Direct Energy                 | 2.6 M BTU |

| EQUIPMENT REQUIREMENTS (/Acre) |          |                          |   |
|--------------------------------|----------|--------------------------|---|
| Tractor, 150 PTO HP, MFWD      | 1.08 Hrs | Dbl. Offset Disk, 16'    | 0.90 Hrs Tractor, 175 PTO HP 0.30 Hrs       |
| V-Ripper, 5 Shnk               | 0.30 Hrs | Lister, 7 Bottom         | 0.18 Hrs Tractor, 100 PTO HP, MFWD 0.83 Hrs |
| Border Disk, 6' Disk           | 0.32 Hrs | Blade Scraper, 10'       | 0.27 Hrs Tandem Disk, 12' 0.15 Hrs          |
| Planter, 6 Row                 | 0.15 Hrs | Tractor, 80 PTO HP, MFWD | 0.35 Hrs Rolling Cultivator, 6 Rw 0.15 Hrs  |
| Flail Stalk Cutter, 4 Row      | 0.15 Hrs | Pickup Truck, 1/2 Ton    | 1.00 Hrs                                    |

| MATERIALS REQUIREMENTS (/Acre) |          |                          |                                     |
|--------------------------------|----------|--------------------------|-------------------------------------|
| Water, District                | 36.00 AI | 82-00-00, Anhyd. Ammonia | 244.00 Lb Grain Sorghum Sd 11.00 Lb |
| Dicamba                        | 0.50 Pt  | Disulfoton               | 1.00 Pt                             |

| LABOR REQUIREMENTS (/Acre) |          |            |          |
|----------------------------|----------|------------|----------|
| Tractor                    | 2.85 Hrs | Irrigators | 2.40 Hrs |

\* NOTE: P = Previous Year C = Current Year N = Next Year  
 \*\* A water assessment charge of \$31.50/Acre included as ownership cost in Table 10B.

Table 10E Schedule of Operations; Grain Sorghum (Spring), 1996

COUNTY: La Paz FARM: LaPaz County Farm WATER SOURCE: BIA TILLAGE: Conventional  
 CROP: Sorghum(Milo), Grain ACRES: 1.0 IRRIGATION SYSTEM: Flood Furrow SOIL: Sandy-Loam  
 AREA: Parker CRIR YIELD: 3,600.0 Lb/Acre PREVIOUS CROP: Cotton, Upland DATE: 10/02/96

| No. | Month | First Times | Operation             | Equipment/Custom Oper. |                         | Job Rate<br>Acres/Hr | Material Use & Cost                   |                     |                      | Service Cost<br>\$/Unit | Labor<br>Type |
|-----|-------|-------------|-----------------------|------------------------|-------------------------|----------------------|---------------------------------------|---------------------|----------------------|-------------------------|---------------|
|     |       |             |                       | HP                     | Self-Prop./Implem.      |                      | Name                                  | Appl. Rate          | \$/Unit              |                         |               |
| 1   | Feb   | 2.0         | Disk                  | 150                    | Dbl. Offset Disk, 16'   | 3.00                 |                                       |                     |                      |                         | Tractor       |
| 2   | Feb   | 1.0         | Rip                   | 175                    | V-Ripper, 5 Shnk        | 3.00                 |                                       |                     |                      |                         | Tractor       |
| 3   | Feb   | 1.0         | List                  | 150                    | Lister, 7 Bottom        | 5.00                 |                                       |                     |                      |                         | Tractor       |
| 4   | Feb   | 1.0         | Make Borders          | 100                    | Border Disk, 6' Disk    | 8.00                 |                                       |                     |                      |                         | Tractor       |
| 5   | Mar   | 4.0         | Irrigate/Run Fertiliz |                        |                         | 2.50                 | Water, District<br>82-00-00, Anhyd. A | 6.00 AI<br>61.00 Lb | 0.00 AF<br>345.00 Tn |                         | Irrigator     |
| 6   | Mar   | 3.0         | Knock Borders         | 100                    | Blade Scraper, 10'      | 10.00                |                                       |                     |                      |                         | Tractor       |
| 7   | Mar   | 1.0         | Disk                  | 100                    | Tandem Disk, 12'        | 6.00                 |                                       |                     |                      |                         | Tractor       |
| 8   | Mar   | 1.0         | Plant                 | 100                    | Planter, 6 Row          | 6.00                 | Grain Sorghum Sd                      | 11.00 Lb            | 90.00 CW             |                         | Tractor       |
| 9   | Mar   | 1.0         | Make Borders          | 80                     | Border Disk, 6' Disk    | 8.00                 |                                       |                     |                      |                         | Tractor       |
| 10  | Apr   | 1.0         | Apply Herbicide/Air   |                        | CST Air Spray, 5 Gal Mi |                      | Dicamba                               | 0.50 Pt             | 85.76 Ga             | 8.32 Ac                 |               |
| 11  | Apr   | 1.0         | Apply Insecticide/Air |                        | CST Air Spray, 3 Gal Mi |                      | Disulfoton                            | 1.00 Pt             | 57.21 Ga             | 6.00 Ac                 |               |
| 12  | Apr   | 1.0         | Rerun Borders         | 80                     | Border Disk, 6' Disk    | 10.00                |                                       |                     |                      |                         | Tractor       |
| 13  | Apr   | 1.0         | Cultivate             | 80                     | Rolling Cultivator, 6 R | 6.00                 |                                       |                     |                      |                         | Tractor       |
| 14  | Apr   | 2.0         | Irrigate              |                        |                         | 2.50                 | Water, District                       | 6.00 AI             | 0.00 AF              |                         | Irrigator     |
| 15  | Jul   | 1.0         | Combine Harvest       |                        | CST Combine Grain Sorgh |                      |                                       |                     |                      | 17.50 Ac                |               |
| 16  | Jul   | 1.0         | Haul, Custom          |                        | CST Haul Grain          |                      |                                       |                     |                      | 0.25 CW                 |               |
| 17  | Aug   | 1.0         | Cut Stalks            | 100                    | Flail Stalk Cutter, 4 R | 6.00                 |                                       |                     |                      |                         | Tractor       |
| 18  | Aug   | 1.0         | Disk Residue          | 150                    | Dbl. Offset Disk, 16'   | 3.00                 |                                       |                     |                      |                         | Tractor       |
|     |       |             | Pickup Use 30 Mi/Ac   |                        | Pickup Truck, 1/2 Ton   | 1.00                 |                                       |                     |                      |                         |               |

\* NOTE: Machine times, labor times, and material rates are for one time over the designated acreage.

\*\* A water assessment charge of \$31.50/Acre included as ownership cost in Table 10B.