# AN ECONOMIC ANALYSIS OF IRRIGATION WITH A LIMITED SUPPLY OF WATER IN SOUTHWEST KANSAS

by

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#### INTRODUCTION

Irrigation development in Kansas has progressed rapidly in the past 20 years. In this period of time irrigated acreage has doubled to a total area of over 1.1 million acres. (Fig. 1) This same rate of development has been experienced in a seven county area of southwest Kansas (Finney, Haskell, Seward, Stevens, Morton, Stanton and Grant) to which this report is directed. Nearly 40 percent of the total irrigated acreage in Kansas is contained in this seven county area (Fig. 1).

For southwest Kansas, the development of irrigation has added considerable stability to farming in a semi-arid region and to the total agricultural community. It has also brought many adjustments compatable with a more intensive, highly productive agriculture.

Irrigation wells are the primary source of water for irrigation.

The availability of underground water supplies is not uniform throughout the area which causes concentration of wells in certain areas and variation of the level of output of water from wells from farm to farm.

Land area suitable for irrigation exceeds the availability of water.

With the rapid expansion of irrigation, some areas are depleting water supplies faster than the natural rate of recharge of the underground water.

This presents a problem of allocation of resources with a limited supply of water and a relatively larger quantity of land suitable for irrigation.

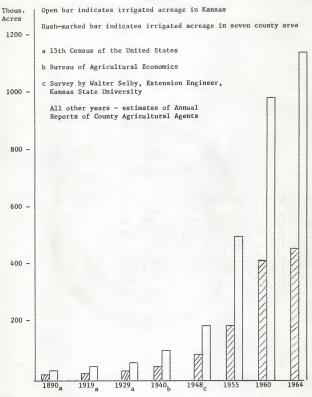


Figure 1.

Irrigated acreage in Kansas and the seven southwest county area -- selected years

The primary objective of this report is to consider the most profitable and efficient use of a limited supply of irrigation water in relation to a relatively large quantity of land suitable for irrigation. With a limited supply, this consideration becomes paramount in importance.

The limitation on the supply of water may take several forms. The cause of the limitation will determine the alternatives available for the irrigation farmer's consideration.

Water available for irrigation may be limited by: .

1. The capacity of the irrigation well. An irrigation well will produce a given quantity of water in a given period of time. The capacity of irrigation wells in southwest Kansas will range from 300 gallons per minute up to 4000 gallons per minute (gpm). Crops to be irrigated have various water requirements. For example, wheat requires less water for maximum production than does grain sorghums. Different crops also have different seasons of peak use or high rates of water consumption. This limits given capacity of water due to necessary frequency of application. Soil type and structure will determine the amount of water that can be applied with each application. So the well of a given capacity is limited by the amount of water that can be pumped in a given period of time determined by the frequency of application necessary to achieve the desired level of production. Potential crop yields are reduced rapidly as stress increases due to neglect or inability to supply water applications at desirable intervals of time.

With this type of limitation (most common limitation at the present time in southwest Kansas) an irrigation farmer may organize various combinations of crops suitable to his farming operation to extend the peak season water requirements. He may also extend the effectiveness and acreage irrigated by a given water output by supplemental or off-season irrigation. Deep soils inherent to southwest Kansas have the capacity to store water in the soil profile in the form of a reserve to reduce the frequency of irrigation during the peak season. Good yield responses have also been achieved from partial or a less intensive irrigation using an intermediate level of irrigation.

 $<sup>\</sup>frac{1}{\rm Irrigation}$  Requirements, Kansas State University Engineering Experiment Station, Bulletin No. 69, table 1, p. 6.

2. Depletion of groundwater supplies. Many are of the opinion that water supplies for irrigation in southwest Kansas will be limited in the future due to the exhaustion of the groundwater supplies. Studies conducted by the United States Geological Survey and State Geological Survey Agencies definitely indicate that this phenomena is occurring over time in some areas. This is due to rapid expansion of irrigation which has resulted in drawing from groundwater supplies more rapidly than normal rates of recharge will replenish the supply.<sup>2</sup>

Should this consequency develop, the alternative most relevant for consideration is the most efficient level of irrigation intensity. This approach emphasizes the advantages and disadvantages of extensive irrigation versus intensive irrigation.

3. Governmental regulation. Although the Kansas water rights laws are presently somewhat general and vague concerning regulation of water use, the tools are available to instigate regulation. Until the present laws are implemented or the need becomes pressing, it is questionable as to what form water regulation would be administered. Present water rights are established by application to the Chief Engineer of the Division of Water Resources, Kansas State Board of Agriculture. Preference is associated with the age of a given water right. However, should state regulation become necessary, it is questionable that the more recently established irrigation wells would be required to cease pumping or be subject to more severe curtailment than those established in some early period. In any event, should governmental regulation of water for irrigation become necessary and if a limited supply is allocated for irrigation, then the same consideration of the merits of extensive versus intensive irrigation would be of major importance.

Production responses of various levels of intensity of irrigation and associated various cropping practices have been developed through applied research of the Kansas State University Experiment Stations.<sup>3</sup> These results

<sup>&</sup>lt;sup>2</sup>Carl E. Nuzman and Walter E. Meyer, <u>Water Level Changes in Grant and Stanton Counties</u>, 1939-1965. State Geological Survey, University of Kansas: Special Distribution Publication 18, 1965. pp. 1-8.

<sup>&</sup>lt;sup>3</sup>Jack T. Musick and Donald W. Grimes, <u>Water Management and Consumptive Use by Irrigated Grain Sorghums in Western Kansas</u>. Kansas Agricultural Experiment Station: Technical Bulletin 113, 1961. p. 11,

furnish an excellent basis for estimating the income potential of the alternatives available under a given set of conditions.

The cost of irrigation in southwest Kansas in relation to various levels of irrigation intensity are somewhat less certain. Cost studies to date have projected data collected outside the area synthesized with theoretical estimates with a given set of assumptions.

For this study cost data were collected from farms in southwest

Kansas with existing conditions, efficiencies and technologies. The purpose
of this study is to determine the costs of irrigation in southwest Kansas in
a framework suitable for estimating profitableness of the alternatives that
prevail in the presence of a limited water supply.

#### REVIEW OF LITERATURE

The determination of the cost of pumping and distributing irrigation water is complicated due to the high degree of variation among farms in inputs, methods employed in the study and difficulty in distributing costs of irrigation. These problems are of major importance in preparing economic analysis of irrigation and must be confined within a given set of assumptions or ranges applicable to an area or problem. These tend to limit the use of specific recommendations with respect to optimum levels of production in relation to costs of production to a specified set of conditions. It may also bring conflicting opinions concerning recommendations.

Zimmerman points out,

There is a recurrent controversy as to whether the benefit from crop returns is increased by spreading available water over a large area, in quantities well below plant moisture requirements, or by irrigating according to the optimum water demand of a smaller area. The former approach is favored by many authorities, often for political reasons, because it permits an egalitarian water distribution policy, that is, drought insurance for all. ...It must be understood that the conveyance system and irrigation efficiency for a low overall irrigation application via a crude application system is bound to decrease as the area to be irrigated with the same amount of water is increased.

Alternatively, in order to prevent this, the cost of an excessively long, lined main and internal field irrigation conveyance network and land preparation for a sophisticated irrigation system has to increase enormously to really convey an appreciable percentage of the available water to the area to be irrigated. This is an expenditure which is, however, not practical for extensive

supplementary irrigation. Moreover, in order to really benefit from irrigation and cover the increase production costs, the project must be on a reasonably efficient irrigation system with an adequate supply of water, applied to improved crop varieties, supplemented by application of fertilizer, and accompanied by disease and pest control, as well as by appropriate crop rotation. The cost of this intensification is high and can only be recovered by ample yields of high value crops per unit area.

Supplemental irrigation is, however, highly recommended where it can be done both efficiently and economical. 4

Zimmerman's statement is rather broad and necessarily general. It refers to canal irrigation which involves relatively long distances of water transportation. The reference to costs and production are relative but the principles involved are well defined.

An example to illustrate this controversy can be cited concerning the use of a limited supply of irrigation water in relation to a relatively large quantity of land.

Pine, Feyerherm and Sirohi point out in a study of irrigated grain sorghums and wheat in western Kansas, "The results indicate that if 3000 acre-inches of water were available for grain sorghum or wheat, in all like-lihood, a larger profit would be realized from applying nine inches on 333 acres than 15 inches on 200 acres." Swanson and Thaxton however, express a diametrically opposite view that, "High moisture levels are most profit-

<sup>&</sup>lt;sup>4</sup>Josef D. Zimmerman, <u>Irrigation</u>. (New York, London, Sydney: Wiley and Sons, Inc., 1966), pp. 9-10.

<sup>&</sup>lt;sup>5</sup>Wilfred H. Pine, Arlin M. Feyerherm, and Amar S. Sirohi, <u>Irrigating Grain Sorghums and Wheat in Western Kansas: An Economic Appraisal</u>. Kansas Agricultural Experiment Station, (Unpublished manuscript) 1966, p. iv.

able; if the irrigation water supply becomes inadequate, the acreage to which water is applied should be reduced.  $^{\rm n6}$ 

The statement from Pine, Feyerherm and Sirohi is based on production functions developed by Amar S. Sirohi for his Ph. D. dissertation, An Economic Analysis of Irrigation in Western Kansas (1962). In this thesis, Sirohi goes into considerable detail in developing production functions with which, "Curvilinear regression analysis was performed to study the yield-water relation of the four crops (grain sorghums, alfalfa, wheat and sugar beets) grown in western Kansas." He further states, "The production equations developed in this study from the experimental data are reliable and dependable." This statement is subject to question with equations showing extreme sensitivity in yield reductions at higher levels water application. Personal observations of farmers irrigating in an area of highly variable rainfall patterns have not shown such yield reduction in a narrow range of maximum water applications.

Experimental work in this area indicates similar results. "Irrigation water management greatly influenced yield in drouth years of 1955 and 1956. Very little effect occurred in the wetter year, 1954. In all years highest yields were produced from the wettest soil moisture treatments."

<sup>&</sup>lt;sup>6</sup>Norris P. Swanson and E. L. Thaxton, Jr., <u>Requirements for Grain Sorghum Production on the High Plains</u>. Texas Agricultural Experiment Station in cooperation with the United States Department of Agriculture, Bulletin 846, 1957, p. 2.

<sup>7</sup> Amar Singh Sirohi, <u>An Economic Analysis of Irrigation in Western</u> Kansas. A Ph. D. Dissertation, Kansas State University, 1962, p. 35.

<sup>8</sup>Ibid. p. 108.

<sup>&</sup>lt;sup>9</sup>D. W. Grimes and J. T. Musick, "Effect of Plant Spacing, Fertility, and Irrigation Managements on Grain Sorghum Production", <u>Agronomy Journal</u>, Volume 52:647-650, 1960, p. 649.

Much of this can be explained by the very deep soils, inherent to the area, which allow deep percolation of excess water quickly enough to prevent yield reductions in crop production within a wide range of high levels of irrigation.

Swanson and Thaxton state,

The water requirements of grain sorghum is not a fixed value. In hot dry years transportation by the plant is higher than in cool, relatively humid seasons. Low relative humidities, high temperatures and wind movement also increase evaporation from the soil surfactor, and also cause important differences in consumptive use and water requirement. Restricted soil moisture reduces transpiration. Frequent irrigation increases evaporation. Unavoidable run off of rainfall and irrigation water or loss by deep percolation increases the water required."

These same phenomena exist in southwest Kansas, which is very similar in most respects to the High Plains area of Texas.

Experimental work done by Jack T. Musick for his masters thesis in 1954 indicated that irrigation for maximum yields decreases water use efficiency. This is further substantiated by experimental work done at the Garden City Experiment Station. 11

"The water available for irrigation from underground storage is definitely limited; therefore, its efficient use and conservation are of utmost importance." This statement illustrates the concern for underground water supplies in western Kansas which are believed to be large underground pools with very limited amounts of recharge. Nuzman and Meyer state, "The amount

<sup>10</sup> Swanson and Thaxton, op. cit.

<sup>11</sup>J. T. Musick and W. D. Grimes and G. M. Herron, <u>Water Management</u>, <u>Consumptive Use and Nitrogen Fertilization of Irrigated Wheat in Western</u> <u>Kansas</u>, <u>United States Department of Agriculture in Cooperation with Kansas</u> <u>Agricultural Experiment Station: Prod. Res. Report</u>, No. 75, p. 1.

<sup>12</sup> Ibid.

and distribution of pumping will determine the number of years that irrigation will remain practical in parts of the area [Grant and Stanton Counties]. As the use of water from storage continues, the water remaining in storage diminishes."

The decline in water levels in the Grant-Stanton County area in a period from 1939-1965 has ranged from 10 feet to 100 feet. However 97 percent of the area surveyed show water-level declines of less than 40 feet and nearly 75 percent show declines of less than 10 feet. 14

Most areas of southwest Kansas show indications of some decline in water-level but the Grant-Stanton County area is the most severely affected.

"Many new wells and replacement wells have penetrated the Mesozoic sandstone and have obtained 500 to 700 gpm from these consolidated sediments. Some older wells have been reconditioned, and pump design has been changed to maintain original yields. Yields of older wells in the area of greatest decline have been reduced owing to increase in pumping lift." These same conditions have been more severly experienced by the High Plains Area of Texas (Cochran, Hockley, Lubbock, Crosby, Hale and Lamb Counties) which has forced some farmers to cease irrigation and others to seriously modify their irrigation programs due to water depletion. 16

Dr. E. S. Bagley in an article published in the <u>Kansas Agricultural Situation</u>  $^{17}$  made inference to the similarity of the High Plains area of

<sup>13</sup> Nuzman and Meyer, op. cit. p. 1.

<sup>14</sup> Ibid. p. 8.

<sup>15</sup> Ibid.

<sup>16</sup>William F. Hughes and A. C. Magee, <u>Some Economic Effects of Adjusting to a Changing Water Supply, Texas High Plains</u>, Texas Agricultural Experiment Station. Bulletin 966. 1960. p. 22

<sup>17</sup>E. S. Bagley, Ground Water Depletion Under Federal Income Tax Laws, The Kansas Agricultural Situation, Kan. St. Univ., Vol. 42:12, May, 1966, pp. 6-7.

Texas and southwest Kansas in regard to permanent water depletion and suggested that investigation should be given to this in respect to water depletion allowances for income tax purposes.

Rapid expansion of irrigation development in southwest Kansas (as indicated in the introduction of this report) requires more serious consideration of this possibility than is presently prevailing. This situation as well as cost of pumping and distributing irrigation water make it imperative that the utmost consideration be given to efficiency of water use in relation to most profitable yield levels.

"Results from irrigation studies in Texas, Oklahoma and Kansas indicate that maximum water use efficiency occurred when seasonal consumptive use was less than or about 22 inches (water available to the plant for crop production). High yields of 115 to 120 bushels have occurred where maximum water use efficiency was obtained. ...Recommendations to farmers based on percentage of available soil moisture or soil moisture tension are difficult for practical use. Most farmers will not adequately sample their soil for moisture and few are able to interpret the results for timing of irrigations." 18

Recognizing the importance of timing of irrigation in relation to water-use efficiency, Musick and Grimes, developed their experimental work and analysis with grain sorghums on the basis of water application in relation to stages of plant growth.

Irrigation applications were applied prior to planting, at a 10 to 14 inch plant height at boot stage and at milk stage. The yields of various

<sup>18</sup> Jack T. Musick and Donald W. Grimes, op. cit., p. 4.

combinations of these irrigation treatments compared with yields of dryland fallow were reported. 19 Water efficiency decreased with a seasonal water use beyond 21.3 inches in 1957, 22.2 inches in 1958, and 18.9 inches in 1959, although total yield continued to increase at a decreasing rate. 20

Other factors influencing yields of grain sorghums include fertility, seeding rate, variety, row spacing and weed control. These factors are controlled by management which varies among farmers. "Good management practices are necessary for high yields and efficient production. Sufficient water and a good irrigation system will not produce optimum yields unless good cultural practices are followed and sufficient fertilizer is added."<sup>21</sup> Since the level of management is extremely difficult to measure in terms that can be transcribed into economic analysis, most analyses assume this human quality as constant at a satisfactory level for optimum production. This however often explains much of the difference between results under controlled conditions at an experiment station and the application of the recommendations at the farm level.

Sirohi points out in his study that the interaction between water and nitrogen was not statistically significant and arrives at the conclusion, "Therefore, application of nitrogen does not affect the profitability of irrigation in western Kansas." Personal observation of substantial increases in the use of nitrogen fertilizer on irrigated farms in western Kansas by this writer would raise question to this statement. Results pub-

<sup>19</sup> Ibid. Table 6, p. 11.

<sup>20</sup> Ibid. Table 10, p. 15.

<sup>&</sup>lt;sup>21</sup>M. E. Jensen and J. T. Musick, <u>Irrigating Grain Sorghums</u>, United States Department of Agriculture Leaflet No. 511, 1962, p. 6.

<sup>22</sup> Amar S. Sirohi, op. cit., p. 106.

lished in <u>Soil Fertility Investigations in Southwestern Kansas</u><sup>23</sup> indicate significant responses to nitrogen fertilizer applications on irrigated soils.

Row spacing, seeding rate and fertilization of grain sorghums has received considerable study at experiment stations. Results of this type of study have been reported by Grimes and Musick. In plant spacing — fertility experiments grain yields were significantly higher in two of three years in response to the addition of nitrogen. The year with no significant increase was expected since the area had grown alfalfa the preceding year. No significant interaction of plant spacing and fertility rates occurred, but it is pointed out that this may have been due to relatively small increases in yield from added nitrogen.

Yield responses to nitrogen have increased at the Garden City Experiment Station in recent years as the production of grain sorghum has become more distant to alfalfa in the rotation. In 1962, Grimes and Musick reported, "Greatest response to added nitrogen occurred when sufficient irrigation water was added to produce high yields. Nitrogen at 120 pounds per acre boosted yield over unfertilized plots by 2,371 and 3,120 pounds of grain, respectively, for one and three irrigations."<sup>25</sup>

In regard to plant spacing, in years with low seasonal rainfall, wider row spacings produced higher yields with a pre-plant irrigation only.

<sup>23</sup>N. L. Nossaman and others, <u>Soil Fertility Investigations in South-west Kansas</u>, Garden City Branch, Kansas Agricultural Experiment Station. Progress Report 107, May, 1965, pp. 3-45.

<sup>24</sup> W. D. Grimes and J. T. Musick, "Effects of Plant Spacing, Fertility and Irrigation Managements on Grain Sorghum Production," Agronomy Journal. Volume 52:647-650, 1960.

<sup>25</sup>W. D. Grimes and J. T. Musick, "Irrigation, Nitrogen, Gives Best Water Use", <u>Crops and Soils</u>, April-May, 1962, p. 57.

With one or more additional irrigations this trend was reversed. "Plant populations in this range (112,000 to 179,000 plants per acre) are not expected to materially influence yield, therefore, the interaction can be attributed to row width."  $^{26}$ 

Similar work was conducted and reported by Porter, Jensen and Sletten with similar results except, "Interaction between fertility x spacing, years x fertility, and years x spacing x fertility were all significant at the 1 percent level. However interactions may have been the result of lack of homogeneity in the three years of experimental work."<sup>27</sup>

Later work cited by Musick, Grimes and Herron tends to amend earlier statements in relation to interaction of fertilizer and irrigation water applications. "Applied nitrogen increased seasonal ET (evapotranspiration) by 1 to 2 inches under conditions of appreciable response. Increased yields were disproportionately greater than the slight increases in seasonal ET; therefore, nitrogen considerably increases water use efficiency." 28

Nitrogen has been the only commercial fertilizer to produce significant yield increases on irrigated grain sorghums. Herron and Erhart reported data gathered from experimental work at 19 locations in southwest Kansas from 1953 through 1957. "Phosphorus fertilization did not produce

<sup>26</sup>W. D. Grimes and J. T. Musick, "Effects of Spacing, Fertility, and Irrigation on Grain Sorghums", <u>Agronomy Journal</u>, Volume 52:647-650, 1960. p. 649.

<sup>&</sup>lt;sup>27</sup>K. B. Porter, M. E. Jensen and W. H. Sletten, "The Effects of Row Spacing, Fertilizer, and Planting Rate on the Yield and Water Use of Irrigated Grain Sorghums", <u>Agronomy Journal</u>, August, 1960, pp. 431-434.

<sup>&</sup>lt;sup>28</sup>J. T. Musick, W. D. Grimes and G. M. Herron, "Irrigation Water Management and Nitrogen Fertilization of Grain Sorghums", <u>Agronomy Journal</u>, Volume 55:295-298, 1963, pp. 298.

significant increases in yield. Regression lines for yield data show greatest responses to nitrogen fertilizer under conditions where average yields were less than 55 bushels per acre without fertilization. Where production without nitrogen was above 75 bushels per acre, smaller increases in yield were obtained with nitrogenous fertilizer. Soil organic matter was not a good index to nitrogen response."

With this information concerning irrigation production, a return to cost of irrigation is necessary for economic analysis. In theoretical framework, the farmer should extend irrigation to the point where the value of the marginal product is equal to the marginal unit cost. The same principle applies in practical application although the exact points of marginal return and marginal cost are often difficult to determine. This is due to lack of control over many of the variables involved, such as weather and markets.

Amar Sirohi in his thesis, An Economic Analysis of Irrigation in Western Kansas, 30 developed a cost analysis by synthesizing data from many sources. He points out a high degree of variation in the cost of irrigation water and develops a marginal analysis on the basis of a range of variable costs.

Hartman and Whittelsey, Colorado State University, present an interesting approach to this problem in their Marginal Values of Irrigation Water.<sup>31</sup> This study consists of a linear programming analysis of farm adjust-

<sup>&</sup>lt;sup>29</sup>George M. Herron and Andrew B. Erhart, "Effects of Nitrogen and Phosphorus Fertilizers on the Yield of Irrigated Grain Sorghum in Southwestern Kansas", <u>Agronomy Journal</u>, Volume 52:499-501, 1960, p. 501.

<sup>30</sup> Sirohi, op. cit.

<sup>31</sup>L. M. Hartman and Norman Whittelsey, <u>Marginal Values of Irrigation</u> Water, Colorado Agricultural Experiment Station, Technical Bulletin 70, pp. 1-28.

ments to the change in water supply. Marginal water values range from 39 cents to approximately \$41 per acre foot. The purpose of the study, however, was not to derive a value for water, but to estimate the relative effect of certain factors upon the water values and to derive a range of water values. Lack of data available in the area made necessary the synthesis of data from many outside sources. The requirement of a large number of rather restrictive assumptions limits the value of this analysis for making recommendations with a high degree of confidence. It does, however, do an excellent job of demonstrating the model for this type of analysis.

Baumol points out, "Programming is concerned with the determination of optimal solutions to problems. As a result, it is well suited to analysis of rational behavior. It has, therefore, like marginal analysis, been somewhat less successful in describing what is than in indicating what (given some pre-assigned goals) ought to be."<sup>32</sup>

Moore developed a method of calculating least-cost combinations of water, labor and capital under several assumed sets of factor prices. Quantification of the variables did not lend itself to the use of survey or controlled field plot data. So a panel of four experienced engineers developed construction specifications, labor inputs and application efficiencies with their best estimates. A cube root production function was assumed and least-cost lines with variable interest rates, labor prices and water costs were calculated for a 640 acre farm. Moore concludes that results from this theoretical approach would be helpful in policy implications for agencies devel-

<sup>32</sup>William J. Baumol, <u>Economic Theory and Operations Analysis</u>, (Englewood Cliffs, N. J.: Prentice-Hall, Inc., 1961) pp. 64-65.

oping and selling water and for those interested in conserving water by subsidizing conservation practices.  $^{33}$ 

Moore fails to show derived results or data used which makes an evaluation of this work difficult.

Myles, Fogel and Batchelder in <u>Economics of Well Irrigation Systems</u> Yeport the results of a survey conducted to determine efficiences of irrigation pumping plants in Nevada. The table of the survey information presents an interesting comparison of fuel or power costs (of 12 different wells) computed on a theoretical basis in relation to costs as reported. In every case there is considerable difference with six wells showing a higher reported cost than the derived theoretical cost and six wells having lower reported costs. The conclusion of this study is that most irrigators have various inefficiencies in well installation and operation that could be overcome by planning, budgeting and proper management.

Another Fogel and Myles publication, <u>Pumping from Irrigation Wells</u>, <sup>35</sup> outlines considerations in planning a pumping installation and constructing the well. Estimated guide lines of typical costs (fixed and operating) with a table of suggested depreciation rates are well illustrated. This plus a guide for budgeting gives a farmer a basis for initial planning. Final basis for decision making would probably require more specific information.

<sup>33</sup>Charles V. Moore, "A Method of Selecting Least-Cost Irrigation Water Distribution Systems", <u>Journal of Farm Economics</u>, Volume 45: No. 5, December, 1963, pp. 1238-1242.

<sup>&</sup>lt;sup>34</sup>George Myles, Martin Fogel and Fred Batchelder, <u>Economics of Well</u> Irrigation Systems, Nevada Agricultural Experiment Station, Circular 38, July, 1962, pp. 1-10.

<sup>35</sup>Martin M. Fogel and George A. Myles, <u>Pumping From Irrigation Wells</u>, Nevada Agricultural Experiment Station, Bulletin 110, July, 1962, pp. 1-23.

In regard to planning development, Zimmerman states, "If development is carried out by private investment, underestimation may mean ruin.

...Therefore the planner should over-estimate both cost and development time. The opposite practice has been the reason the original developer is seldom the one who completes the project he has started."36

This statement emphasizes the importance of thorough study of development cost prior to making the investment. But over-estimation of any large degree might be as serious a mistake as under-estimating. In southwest Kansas, experience with irrigation development plus capable technical assistance from the Soil Conservation Service and Cooperative Extension Service closely associated with the Kansas Agricultural Experiment Station and Kansas State University would render the statement concerning the original developer as not completing the development completely invalid.

Zimmerman continues, "The economic unit water and unit land development prices may vary considerably. They depend upon the kinds of crops that can be grown in the area. ...In small projects the cost has to be in direct relationship to the farmer's benefit; his crop returns will have to pay off all the investment."37

These are illustrative of the positive statements Zimmerman makes in regard to costs and cost analysis throughout his book which are so general in content that they have little practical usefulness.

<sup>36</sup>Zimmerman, op. cit. p. 16.

<sup>37&</sup>lt;sub>Ibid</sub>. p. 17.

Otto and Pine conducted an empirical study of <u>Sprinkler Irrigation</u>
<u>Costs and Returns in South Central Kansas</u> in 1954.<sup>38</sup> They found that, "The
total costs increased as the acreage irrigated increased, but the cost per
acre decreased as the acreage irrigated increased."<sup>39</sup> This demonstrates
cost economies related to scale. This is apparent with their average cost
of irrigating an acre at \$15.15 costs of annual depreciation, taxes and interest on investment. Installation costs for irrigation system and well development ranged from \$2,090 to \$15,935, averaging about \$7,000.

Hughes and Magee<sup>40</sup> studied irrigation costs in the lower coast prairie area along the upper gulf region in Texas. This presented a unique irrigation problem in which part of the risk is due to some years with excessive rainfall during either the growing or harvesting season. They found average investment costs of \$53 per acre with operating expenses ranging from \$2.25 to \$4.00 per acre depending upon the number of times the crops were irrigated. The study included 10 farms over a three year period. Weather damage during the harvesting season lowers average yields limiting profitable irrigation primarily to cotton, a relatively high price-income crop.

Hughes and Magee have devoted considerable time to the study of the economic effects of water depletion in the Texas High Plains, publishing three bulletins in a period from March, 1956, to April, 1964. The first

<sup>&</sup>lt;sup>38</sup>Merton L. Otto and Wilfred H. Pine, <u>Sprinkler Irrigation Costs and Returns in South Central Kansas</u>, Kansas Agricultural Experiment Station: Bulletin 381, August, 1956, pp. 3-23.

<sup>39</sup> Ibid. p. 3.

<sup>40</sup>William F. Hughes and A. D. Magee, <u>Production Practices and Spec-</u> <u>ified Costs of Irrigating Row Crops, Lower Coast Prairie, 1958-60, Texas</u> <u>Agricultural Experiment Station: Mise Pub. 616, November, 1962, pp. 1-8.</u>

study, Changes in Investment and Irrigation Water Costs, Texas High Plains, 1950-54, 41 illustrates the phenomena which occurred. The acreage irrigated per well decreased 26 percent from 1949 to 1954 while pumping lifts increased 16 percent from 1938 to 1951. In the area surveyed one or more well was added on the old farms; approximately 40 percent of the old farms installed underground concrete tile or surface pipe systems and 49 percent lower pumps. Pumps operated an average of 2,207 hours in 1954 or approximately 2.5 times longer than the 1947-49 average. A change from butane fuel to natural gas was observed in progress incorporating the less expensive fuel at an average gas line cost of a little under \$1,000 per well.

In their analysis of cost, the cost of irrigation increased rapidly during this period due to increased investment, increased pumping time and increased water lifts distributed on fewer acres. They report the highest yield on record indicating farmers chose to reduce acreage rather than spread water with a limited supply. Data indicated the investment due to adjustment was \$10.77 per acre greater on old farms than for newly developed irrigation systems.

This study is of particular interest due to the fact that some areas in southwest Kansas are beginning to experience some of the same phenomena experienced by irrigation farmers of this high plains area. It also indicates the adjustments farmers have made as a result of a decreasing water supply.

<sup>&</sup>lt;sup>41</sup>William F. Hughes and A. C. Magee, <u>Changes in Investment and Irrigation Water Costs</u>, 1950-54, <u>Texas Agricultural Experiment Station</u>: <u>Bulletin 828</u>, <u>March</u>, 1956, pp. 1-8.

A second Hughes and Magee publication, Some Economic Effects of Adjusting to a Changing Water Supply. 42 updates and refines some of the findings of the original report with a longer and more intense study period. Areas are divided into five subareas ranging from severely affected areas in which water depletion in combination with increases in operating costs impair the economic feasibility of continuing irrigation, to areas which are not particularily affected by water level decline. Compensating adjustments identified were increased hours of water pumping, lowering of pumps, installation of additional wells and closed distribution systems. Other adjustments included watering every other row, (more extensive irrigations) installation of smaller pumps in old wells, decreasing acres of summer irrigated crops and increasing acres of fall and winter irrigated crops (principally wheat and off season irrigation for grain sorghums), staggering grain sorghum planting dates, (to relieve critical water demand stages of plant development) concentrating the available water on cotton, (higher income crop) reduction in the portion of cropland irrigated, and shifting from butane to natural gas fuel. Tables listing comparisons of increased fuel cost, investment cost, and operating cost demonstrate the impact of these adjustments.

The third publication, <u>Economics of Low-Capacity Irrigation Wells</u>, 43 emphasizes special management practices associated with relatively high per

<sup>&</sup>lt;sup>42</sup>William F. Hughes and A. C. Magee, <u>Some Effects of Adjusting to a Changing Water Supply</u>, <u>Fexas High Plains</u>, <u>Texas Agricultural Experiment Station</u>: Bulletin 966, October, 1960, pp. 1-27.

<sup>&</sup>lt;sup>43</sup>William F. Hughes and A. C. Magee, <u>Economics of Low-Capacity Irrigation Wells, Texas High Plains</u>, Texas Agricultural Experiment Station: MP-710, April, 1964, pp. 1-16.

acre investment costs and long pumping seasons required to utilize the low heads of water available for irrigation. Cotton was the principal crop grown with low capacity wells. Overhead costs (annual fixed or annual investment costs) ranged from \$15 to \$21 per allotted acre, depending upon depth of the well, and operating costs were from \$8 to \$10 per allotted acre in 1962. Irrigation labor was of particular concern requiring approximately 12 hours per acre. Irrigation labor requirements have a far greater impact than the figures would indicate because labor is expended for short periods, usually twice a day over an extended irrigation season which may last six months.

Low capacity wells considered were as small as two inch submersible pumps producing less than 100 gallons per minute. Data were obtained from 27 farms with about 12,000 acres of cropland and 155 irrigation wells in 1962.

Extension engineers at Kansas State University have conducted intensive irrigation case studies on individual cooperating farms with the objective of demonstrating suitable methods and techniques for developing land for irrigation, engineering practices and agronomic practices. The 1965 report on the Mitchell County Farm 44 shows an annual investment cost (depreciation, interest on investment, repairs, and taxes) of \$28.17 per acre. Hours of labor required to irrigate an acre, three times, on corn ranged from 1 to 1.5 hours. Total cost per acre, on this farm, was \$77.67 of which \$12.37 was water costs. Water for irrigation was pumped out of the river with a centrifugal pump and distributed through portable aluminum pipe.

<sup>44</sup>Russell L. Herpick and Lynn R. Shuyler, <u>Annual Report, Mitchell</u>
County <u>Irrigation Demonstration Farm</u>, Kansas State University, Extension Division, File Code: Engr. 3-3, pp. 1-18.

Two farms with well irrigation under this same demonstrational program in 1960 were located in Pawnee and Lane counties. The Pawnee county farm reported  $^{45}$  annual investment cost of \$23.79 per acre with labor requirements varying from 0.5 to 1 hour per acre for irrigating, depending upon the crop involved.

The Lane County Report<sup>46</sup> shows an annual investment cost of \$25.84 with similar labor requirements. Operating costs for irrigation are difficult to determine because of classification of costs. Repair costs are included in investment costs. The method of data collection was the actual records of costs and time kept by the cooperating farmer but the reports lack adequate explanation of this.

A classification of costs is well outlined in <u>Sprinkler Irrigation</u> edited by Woodward. <sup>47</sup> Costs are divided into fixed costs and operational and maintenance costs. Annual fixed costs include interest on investment and depreciation. Two methods of figuring interest on investment are suggested:

- on the annual basis of one half the original purchase price at an appropriate rate of interest,
- a compound interest rate based on a capital recovery factor.

<sup>45</sup>Lyndell W. Fitzgerald, 1960 Annual Report, Pawnee County Irrigation Demonstration Farm, Kansas State University, Division of Extension, pp. 1-22.

<sup>46</sup>Lyndell W. Fitzgerald, 1960 Annual Report, Lane County Irrigation Demonstration Farm, Kansas State University, Division of Extension, pp. 1-25.

<sup>47</sup>Guy O. Woodward, ed, Sprinkler Irrigation, (Washington, D. C.: Darby Printing Company, Second Edition, 1959) pp. 261-284.

Depreciation is defined by the Federal Internal Revenue Service as, "A reasonable allowance for exhaustion, wear and tear, and obsolescence of property.... $^{48}$ 

Woodward points out, "There are many factors to be considered in determining depreciation." Included would be the amount of annual use, care and maintenance, operating conditions and off season storage. A table of suggested depreciation periods for components of an irrigation system includes the following: <sup>30</sup>

	Depreciation
Component	Period: Years
Well	25
Pump	15
Power Units	
Diesel	15
LP & Natural Gas	12
Gasoline	9
Electric Power Units	25
Concrete Pipe System	20
Pipe, Surface, Gated	8

In regard to land grading, Woodward suggests that if proper maintenance is practiced, only the interest on the leveling costs should be charged to the annual fixed costs.

 $<sup>^{48}{\</sup>rm Farmers~Tax~Guide,~1966~Edition},$  United States Treasury Department, Internal Revenue Service, Publication No. 225, p. 34.

<sup>49</sup>Guy O. Woodward, op. cit., p. 262.

<sup>50</sup> Ibid. p. 264.

"Annual operation and maintenance costs can be computed by using observed average costs for fuel, power and labor." $^{51}$ 

Woodward points out, "A most important item is having the system designed properly to be adequate to meet the irrigation needs while giving a high degree of efficiency and uniformity of distribution of water over the designed area."  $^{52}$ 

As a concluding statement for this section on the review of literature, a quotation from Israelsen and Hansen seems appropriate. "Irrigation is an age-old art. Historically, civilization has followed the development of irrigation. Civilizations have risen on irrigated lands; they have also decayed and disintegrated in irrigated regions. Most men who are well informed on irrigation are certain of its perpetuity, as long as it is intelligently practiced." 53

<sup>51&</sup>lt;sub>Ibid</sub>. p. 267.

<sup>52&</sup>lt;sub>Ibid. p. 284.</sub>

<sup>530</sup>rson W. Israelsen and Vaughn E. Hansen, <u>Irrigation Principles and Practices</u>, (New York, London, Sydney: John Wiley and Sons, Inc., Third Edition, 1965) p. 1.

## PROCEDURE OF ANALYSIS

Applied research at the Garden City Branch Experiment Station provides experimental yield information for irrigated crops in southwest Kansas. Average yields over a period of eight years (1958-1965) will be used to project income for case studies of alternatives. In this period of years, five were near normal annual rainfall, one was drier than normal and two were above normal in annual precipitation. R.S. 610 hybrid grain sorghum was used in all tests for this study. An average over this period of time tends to reduce the effects of weather which would have considerable influence if any particular year was used as standard. Extremely wet years or extremely dry years in western Kansas will often have influence on the succeeding year. Table I shows annual precipitation and yields for the period as reported by the Garden City Experiment Station.

Average annual precipitation for this period is 2.75 inches above normal. However a shorter period would be less representative of all weather conditions including temperatures, hail, early frosts, etc. Data with exact duplication of methods for all tests for a longer period were not available.

Irrigation costs for southwest Kansas are not readily available. To develop costs of irrigation in this particular area, a questionnaire (Irrigation Survey of Farm Management Association Members in Southwest Kansas 54) was mailed to each association member in the seven county area (Finney, Haskell, Seward, Stevens, Morton, Stanton and Grant Counties).

 $<sup>^{54}\</sup>mathrm{See}$  copy in appendix, pp. 68-69.

Table I

Yields of grain sorghums; full irrigation, pre-season irrigation only, and summer fallow, at the Garden City Experiment Station, 1958-1965.

	Annual precipitation	Fallow gr. sorghums <sup>b</sup> N applied≃0	Full irrig. gr. sorghums <sup>b</sup> N applied = 150	Pre-irrig. only gr. sorghums <sup>c</sup> N applied=0
	inches	bu./ac.	bu./ac.	bu./ac.
1958	28.37	50	125	76
1959	18.07	58	136	53
1960	16.81	63	107	64
1961	19.39	74	126	82
1962	18.64	49	131	84
1963	15.78	54	134	53
1964	12.23	30	119	48
1965	27.70	55	125	83
AVERAGE	19.62a	54	125	68

Yields rounded off to nearest full bushel for table.

<sup>a</sup>Normal (average 1931-1960) 16.87 as reported in <u>Weekly Precipitation Amounts for Kansas</u>, Kansas Agricultural Experiment Station, Kansas State University: Technical Bulletin 126, 1963.

bKansas Performance Test (1958-1965), Kansas Agricultural Experiment Station Annual Publications.

<sup>c</sup>Published results of field day reports, Garden City Experiment Station.

This questionnaire was mailed to 123 association members and 75 were returned in complete and usable form. The completed questionnaires, constituting a 61 percent return, were used as the source of data to compile the irrigation cost information developed in this report.

The Kansas Farm Management Association Program, sponsored by Kansas
State University and supervised by extension economists of the university,
assists farmers in developing complete and accurate farm records for management assistance in their business and for research in the field of farm management. This record system provides for recording of more information giving
association members better access to more complete and accurate cost infor-

mation. For this reason, association members were selected to be surveyed for gathering cost information for this report.

To verify representativeness of the sample of questionnaires completed and returned as compared to the total group to which the questionnaires were mailed, key indicators were summarized for the same group from their 1965 records. Table 2 shows the results of this comparison.

Table 2

Summary of comparison of 1965 records
of farms surveyed and those returning questionnaires\*

	Per farm average		
	Farms questionnaire was mailed to	Farms returning usable reports	
Gross income	\$ 58,511	\$ 59,623	
Total expense	\$ 41,010	\$ 41,363	
Net income	\$ 17,501	\$ 18,260	
Total cropland acres	1,541	1,539	
Total acres irrigated land	616	586	
Total investment managed	\$308,542	\$305,705	

\*Summary included 112 farms. Questionnaires were mailed to six new members with no previous records in the association and five members who developed irrigation for the first time in 1966.

Total expense, total crop acreage and total investment managed are essentially the same for both groups. Those who returned the survey reports were slightly higher in income with less acres of irrigated land. This difference is small and insignificant with the farms involved.

The latest figure available shows in 1964, 440,814 acres of irrigated land in the seven county area. (Fig. 1) In 1966, the 75 farms included in the summary of this survey produced 35,673 acres of irrigated crops. Farm

Management Association record summaries show approximately 20 percent of the cropland on irrigated farms is summer fallowed, due to government restrictions and other factors. With these considerations, approximately eight to ten percent of the total irrigated land in the seven southwest Kansas counties is included in the survey summary.

The average irrigated acreage in crops per farm, according to the summary of the survey, was 476 acres. This was 226 acres of irrigated crop per well with an average output of 1510 gpm. This in itself indicates the extension of a limited supply of water at the present time in southwest Kansas.

Although farm management association members are believed to have a higher average net income than the average farmer in the area, conditions of irrigation costs is similar for all irrigation farmers in a given area. The cost of developing and equipping a well is dependent upon the depth of the well and the amount of water to be pumped. Fuel and repair costs are directly related to the size of the pumping plant and the care and maintenance provided. Labor cost is dependent to a large extent upon the design of the irrigation system. These costs are primarily dependent upon size and design of the irrigation system and not highly variable due to management ability. Differences in income are due more to timeliness of operations and proper cultural practices which increase production rather than variations in the cost of irrigation. Therefore, it is reasonable to project costs derived from this survey of association members to general farm conditions for the seven county area.

The cost of tillage operations for budgeting the case studies of this report are reasonable in light of custom rates for 1965 reported by the Kan-

sas Crop and Livestock Reporting Service and the experience of Farm Management Association Extension Economists.

## IRRIGATION COSTS

Cost analysts generally divide cost into two classifications. Variable costs, sometimes referred to as operating costs, include current annual expenditures for the purchase of inputs. These costs vary with the level of the intensity of farming, scale of operation and organizational ability of management. These costs are usually projected in a linear relationship to acres or hours of pumping.

Fixed costs, also referred to as overhead costs or ownership costs, are costs which remain the same in total regardless of amount of use received in a particular period of time. This classification includes such expense items as depreciation, taxes, interest on investment and insurance.

Depreciation is an annual allowance for wear and tear and obsolescence of certain capital expenditures purchased for business use in large, discrete, indivisible units. This leads to some difficulty in determining the useful life of the capital expenditures with varying degrees of care and maintenance being exercised by the operator. Also, during an extremely long life, certain improvements are more apt to lose value due to obsolescence than by wearing out.

For a farmer considering the economic merits of developing or expanding irrigation, it seems appropriate to make a third classification of costs. This category will be referred to as <u>development costs</u> (Dc) which are those costs necessary to the establishment of irrigation and have a long indeterminate useful life with existing conditions and technology. These costs in-

clude the expense of the development of the irrigation well (wc), initial land grading (gc) necessary for efficient water distribution, and permanent underground concrete pipe (uc) installation for the transportation of water. Development cost then takes the form:

$$Dc = wc + gc + uc$$

These are the initial investment costs that the farmer must consider and present a unique problem for each unit of development depending upon the depth and availability of the water supply and the topography of the land. These costs must be estimated by those with engineering skills and abilities in the field of irrigation development for each unit of land to be developed. In southwest Kansas this service is available from the Soil Conservation Service and several reliable commercial firms specialized in well drilling and irrigation development.

Since the life of the capital investments considered as development cost have an indeterminate life with reasonable care, with existing conditions and level of technology, the question of how these costs should properly be charged into the analysis of irrigation costs for planning development or expansion becomes pertinent.

If it was known with reasonable certainty that present conditions and level of technology would exist for an indefinitely long period of time, the development costs would be properly reflected in charging interest on the investment as an annual cost of irrigation. If this situation existed, the development costs could be compounded and anticipated income could be discounted to present values and the decision of development of irrigation could be determined with a high degree of confidence.

However the future of irrigation for an indefinitely long time in southwest Kansas is not known with this degree of certainty. Most geologi-

cal experts are reasonably certain that there is a limit to the available ground water supply. Should water resources be depleted beyond the point of feasible irrigation, these development costs would essentially become worthless. Experience in the high plains area of Texas illustrates the possibility of extensive water depletion.<sup>55</sup>

With the advances in technology in the past quarter of this century, it is difficult for the most imaginative mind to look very far in the future of the development of agriculture. It is doubtful that any other major source of water will exist for southwest Kansas (although this possibility is not completely non-existent), but advanced technology could develop dryland farming and other areas for more economical irrigation to the point that present methods of irrigation could not compete satisfactorily.

Changes in demand, shifts in population, innovations in transportation all add to the degree of uncertainty of the future.

So with a high degree of uncertainty in the very long run, it seems desirable to reduce the effects of uncertainty by limiting development cost to a reasonable period of time. The development costs should then be recovered in full by the investor in this period of time. This time period becomes arbitrary depending upon the optimism or pessimism of the person required to make the judgment. With the present knowledge of the conditions of the area, for this study the period for recovery of development costs will be 25 years. So this will be charged to the cost of irrigation with annual development costs (dc) expressed as:

$$dc = \frac{Dc}{25}$$

<sup>55</sup>William F. Hughes and A. C. Magee, <u>Some Effects of Adjusting to a Change in Water Supply, Texas High Plains</u>, Texas Agricultural Experiment Station: Bulletin 966, 1960, pp. 1-27.

In the survey of 75 farms in southwest Kansas, 54 wells were developed since 1960. These were selected to compute an average cost of well development so that the problem of inflation could be reduced and to reflect the efficient methods employed by present day well drilling companies. Cost of well development includes drilling, casing and gravel packing of the irrigation well. It also includes exploratory costs in the form of test drilling.

The average cost of developing 54 irrigation wells in southwest Kansas since 1960 was \$13.33 per foot of depth of the well. Irrigation wells vary in depth (according to this survey) in southwest Kansas from 100 feet to over 600 feet. Table 3 indicates average costs of well development according to well capacity and depths under and over 300 feet.

Table 3

Average per foot cost of developing 54 irrigation wells
in southwest Kansas, 1960-1966<sup>56</sup>

Well capacity	Average	Well depth	
rated in	well output	300' or	301' and
gpm	gpm	less	over
800 gpm or less	529	\$16.39	\$13.72
801 - 1600 gpm	1249	\$12.72	\$13.26
1601 and over	1973	\$16,32	\$13.05
1001 and over	1973	\$10.32	\$13.03
Average	1118	\$14.47	
	1679		\$13.17

Average depth of 54 wells = 368 feet.

Concrete pipe is most commonly used for underground transportation of water although some plastic underground lines are being used in recent

<sup>56</sup>Data shown in appendix, table 4.

years. Concrete pipe has been used for many years and is approved for government ASCS cost share payments for improving the efficiency of irrigation systems and water conservation.

Concrete pipe with rubber gasket sealing connections in 1966 ranged from \$1.45 per foot to \$2.95 per foot installed, depending upon the size of the pipe. Pipe 12 inches in diameter will carry 900 - 1800 gpm and 15 inch pipe will transport heads ranging from 1800 - 3000 gpm. In 1966, this pipe was priced at \$1.65 and \$2.15 per foot, respectively. This price includes guaranteed installation of the pipe.

In the development stages of irrigation, the installation of concrete pipe is often postponed if there are no serious problems due to slope of the land or water limitation where open ditches or surface pipe will transport water. This is due to:

- 1. Other development is needed such as land grading.
- It sometimes is advantageous to test system prior to permanent installation.
- 3. Capital limitations may delay permanent installation.
- 4. Government cost sharing is for improvement of existing irrigation system which requires that irrigation must be used at least two years prior to underground pipe to qualify for cost sharing.

In recent years, permanent underground pipe for water transportation has gained general acceptance by farmers. Its use is increasing rapidly because of increased efficiency in water conservation, labor saving, and the fact that water transportation is affected less by inclement weather. Land grading is dependent upon the topography of the individual field for irrigation. Cost of land grading varies from nothing to approximately \$250 per acre on a field basis in southwest Kansas. Land grading in the development stage may be done in a minimal degree necessary for satisfactory water distribution. As the system is established and tested, additional grading may be done. Cost sharing for land leveling by the government also specifies improvement of an existing system, established and used for at least two years prior to qualification for cost sharing.

Irrigation equipment costs (Ec) would be the next major concern of the farmer contemplating irrigation development or expansion. Equipment includes the irrigation pump (pc), the power unit (mc) and surface pipe (ac) for water distribution. Irrigation equipment falls in a reasonable range of life due to wear and tear. Variation in the useful life of this equipment will depend upon somewhat on the degree of care and maintenance exercised by the individual operator but this falls within limits. Through extended research, engineers have developed satisfactory guide lines for charging annual depreciation for equipment (ec) into the cost analysis. 57 So for planning purposes:

Ec = mc + pc + ac

and

ec = 
$$\frac{mc}{12} + \frac{pc}{15} + \frac{ac}{15}$$

In stages of planning, a farmer would be interested in average equipment costs such as shown in Table 4 and Table 5.

<sup>57&</sup>lt;sub>Op. cit.. p. 264.</sub>

Table 4

Average costs of power units for 54 wells developed in southwest Kansas, 1960-1966

		Well capac	ity - gpm*
Range of lift feet	Aver. lift feet	1600 gpm or less	1601 gpm and over
Teet	Teet	OI TESS	and over
150 or less	126	\$1200	\$2801
151 - 250	206	\$2215	\$3411
251 and over	310	\$2622	\$4254

\*Capacity divided into two categories because in this general area (over or under 1600 gpm) the size of the pump would usually change from an 8 inch pump to a 10 inch pump. Deep turbine pumps are used exclusively in Southwest Kansas.

Table 5

Average cost of deep-turbine pumps for 54 irrigation wells, developed 1960-1966

		Average 1	oump cost*
Range	Aver.	150' lift	151' lift
gpm	gpm	or less	or more
1600 gpm or less	1056	1875	4976
1601 gpm and over	2047	3036	5111
Average of 54 wells	1552	2614	5040

\*Cost includes gear head and drive shaft.

These average costs as guides for planning are satisfactory. Definite costs of the power unit and pump cannot be determined until the well has been drilled and test pumped. Aluminum surface pipe used for water transportation and distribution laterals for underground pipe systems range in cost from \$1.00 to \$2.00 per foot depending upon size and quality. Gates in aluminum pipe are adjustable for easy head control in water distribution. For gravity flow, surface irrigation aluminum surface pipe is generally used for water transportation on rented land or for transition from an open ditch system to a permanent underground installation.

The amount necessary for efficient irrigation is dependent upon the individual field situations.

Operating costs (Oc) of pumping and distributing irrigation water includes fuel and oil (fc), repairs (rc) of well and pumping equipment, and labor (lc) required to distribute water and service the pumping plant. These costs are assumed to be of a linear nature related to scale and intensity, so can be projected on a per unit basis (per hour of pumping).

$$0c = fc + rc + 1c$$

Natural gas is the primary source of fuel for power for irrigation pumping in southwest Kansas. This is due to its availability with commercial gas wells distributed throughout most of the area. This is by far the cheapest source of power and other types of fuel are used only when natural gas is not readily available to the power plant.

The survey of 75 farms in southwest Kansas reveals that 155 of the 158 irrigation wells are powered with natural gas. Table 6 summarizes the results of this survey.

The average lift of the 155 wells powered by natural gas was 220 feet with an average output of 1510 gpm. The average pumping cost for fuel and oil was 23.02 cents per hour.

Table 6

Average per hour fuel cost of pumping irrigation water in southwest Kansas with natural gas fuel, 1966

Range of output	Rang 150 or less	ge of lift 151-250	feet 250 and over
	cts	cts	cts
800 gpm or less		10.27	14.04
801-1600 gpm	12.06	18.30	24.88
1601 gpm and over	22.50	29.15	29.63

Repair costs include those costs for the repair of the power unit, the irrigation well and pump and other irrigation equipment.

Repair cost in 1966 on 155 irrigation power units of various ages and sizes was:

Repair to irrigation pumps and wells was computed on the basis of the owner-operated wells since tenants, under most lease arrangements, are not required to pay any of the repair cost for the well or pump. The results show:

$$\frac{\$17,725 \text{ Pump and Well Repair}}{95 \text{ Wells (Owner-operator)}} = \frac{\$186.57 \text{ Average Repair}}{\text{Per Well}}$$

The average cost for 95 owner-operator wells was projected for the 155 irrigation wells (155 x \$186.57 = \$28,918) to make the necessary adjustment.

Other repairs included repairs on irrigation pipe, valves, small supplies, etc. The total cost on 75 farms for repair of other irrigation equipment was \$6.819. With this information, repair costs can be projected on a per hour of pumping basis.

\$41,526 power unit repair + \$28,918 well and pump repair + \$6,819 other irrigation equipment repair

> = 21.38 cents repair cost per hour of pumping

361,360 hours pumped

Irrigation systems in southwest Kansas are designed so that regular attendance is necessary for distributing water and servicing the pumping plant. In most cases, the systems are designed to distribute a given amount of water in a single setting to a given acreage in twelve hours. This requires labor for a relatively short period of time twice a day (each 24 hour period) to change the setting of water. The labor time involves preparing temporary ditches, setting dams and siphon tubes or moving aluminum pipe and opening and closing gates in the pipe. Either system will require approximately the same labor time including some time for servicing the power unit,

With this operation being supplied by both operator and hired labor in relatively short periods during the course of the day's work, some problem of proper valuation for this labor may be present. For this analysis, an arbitrary value of \$1.50 per hour will be used as this would be representative of the cost of capable hired labor.

Hours required for pumping (h) can be computed with the known output of the well. A well will produce one acre inch of water per hour for each 450 gallon per minute of output. For example, a well with 1350 gpm output will produce three acre inches of water per hour (1350/450). A farmer can compute the time necessary to apply a given amount of water to a given acreage with:

$$\frac{\text{Inches of water to be applied}}{\text{Well output (gpm)/450}} \quad X \quad \frac{\text{acres to be}}{\text{irrigated}} = h$$

The survey of irrigated farms in southwest Kansas<sup>58</sup> shows that an average of 2.143 hours per day is required to pump and distribute water per irrigation well, so labor cost per hour of pumping is

 $\frac{2.143 \text{ X } \$1.50}{24 \text{ hours}} = \frac{13.39 \text{ cents per hour}}{13.39 \text{ cents per hour}}$ 

and

1c = .1339 h

Operating costs then consist of fuel and oil, repairs and labor and can be projected on a cost per hour (oc) basis. The tables in this section provide average figures that can be used for budgeting these costs for planning purposes.

Using the average cost for the average lift and capacity of irrigation wells included in the survey, the average operating cost of pumping and distributing irrigation water in southwest Kansas is 57.79¢ per hour of pumping.

Two other costs must be considered in an analysis of irrigation costs.

These are real estate taxes and interest on investment.

Real estate taxes (tc) vary from county to county, ranging from 82 cents per acre in Morton County to \$2.28 per acre in Finney County for irrigated land according to the survey conducted. The average real estate tax for the seven county area in 1966 was \$1.63 per acre for irrigated land.

Interest on investment can be computed by amortization over the period of the investment or by a simple interest method using one-half of the current interest rate. For planning with budgeting, the latter method lends itself

<sup>58</sup> See appendix, pp. 68-69.

best to ease of computation for any particular year or an average for budgeting the annual expense per year.

With this method:

Average annual interest (ic) = Interest rate X investment
on investment 2

Investment is the sum of the original costs of development and equipment for irrigation.

So in budgeting the annual costs (Ac) of irrigation, a summation of the annual costs involved will give satisfactory results for planning:

$$Ac = dc + ec + oc(h) + ic + tc$$

This can be used with any or all of the costs determined that are applicable to a particular development or expansion of irrigation in southwest Kansas. It must be recognized that each irrigation enterprise presents a unique problem and that average costs have value only as guides or tools to assist the farm manager in planning and budgeting. Exact costs of development, equipment and operation of any individual irrigation enterprise can be determined only after the capital commitments have been made and good records of the operation have been summarized. Cost must be estimated within the best framework available for a-priori decisions. This is the purpose of the development of this section of this report dealing specifically with conditions in southwest Kansas.

#### CASE STUDIES

To illustrate how the preceding cost information can be used by a farmer in considering expansion with a limited water supply and a relatively large acreage of land suitable for irrigation, the following hypothetical situation is proposed.

A farmer in Southwest Kansas has an irrigation well with 1200 gallon per minute capacity with a lift of 220 feet.  $^{59}$  He owns 480 of land suitable for irrigation, in one connecting unit of land in the same section. One hundred sixty acres have been fully developed for irrigation at a cost of  $^{$17,171.60}$ 

He is presently irrigating 160 acres and farming 320 acres dryland. (One-half summer fallow and one-half crop.) He wants to consider other alternatives available to him that will offer more profit.

With grain sorghum his high income crop, the total acreage will be devoted to the production of this crop. It is assumed there are no restrictions by government programs as this can be managed by substitution from additional farm acreage the farmer operates. The three quarters of land under consideration are only part of his total operation. It is also assumed that capital for development and operation of the unit is not limited.

 $<sup>$^{59}\</sup>mathrm{This}$  was the average lift of 155 wells reported in the Survey of Irrigation in Southwest Kansas, 1966.

 $<sup>^{60}\</sup>mathrm{Cost}$  developed from averages from survey. Well cost (350 ft. @ 13.33) \$4665, 2640 ft. of underground 15" concrete pipe plus valves, \$4506 and land grading @ \$50 per ac., \$4000.

The following are the alternatives considered. There are other possible alternatives and combinations of crops that would be considered in the planning process. The cost data set forth in the previous section could be used equally well for other irrigated crops.

Case I (as the unit is presently being farmed).

Full irrigation of 160 acres of grain sorghum applying enough water to make 18 inches of water available to the plant. This will require three irrigations pumping and distributing 27 acre inches of water at 65% irrigation efficiency. This will require approximately 60 days or 1680 hours of pumping.

The additional 320 acres is farmed dryland, with 160 acres seeded to grain sorghum and 160 acres summer fallowed.

 $\underline{\underline{Case}\ II}\quad (\text{if water is limited by government regulation or other means to the amount pumped in Case I.)}$ 

In this case, the farmer would apply approximately the same amount of water to 320 acres during the growing season in two irrigations supplying 9 inches of water available for plant use. This would require pumping 14 acre inches of water per acre and would require about the same pumping time of 70 days or 1680 hours.

The additional 160 acres is dryland with 80 acres grain sorghum and 80 acres summer fallow.

 $\underline{\text{Case}} \ \underline{\text{III}} \quad \text{(if water was limited by the well capacity and could be expanded by pumping more hours.)}$ 

This case offers the opportunity of off-season irrigation. By using the well more hours during the year, it would be possible to pump 24 acre inches on 320 acres. This can be done by pumping 12 acre inches off-season and saturating the root zone prior to seeding. Two irrigations during the growing season will supply the additional 12 acre inches. With 65% irrigation

efficiency, this will make 15.6 inches of water available for plant use from irrigation. This will require approximately 140 days or 3360 hours of pumping.

The additional quarter of land will be farmed dryland with  $80\ \mathrm{acres}$  grain sorghum and  $80\ \mathrm{acres}$  summer fallow.

Case IV (if water is limited only by well capacity, as in Case III.)

With this alternative, 160 acres can be fully irrigated during the growing season as in Case I and the additional 320 acres irrigated in off-season only. With this off-season irrigation 12 acre inches will be pumped and distributed. This land will then be farmed as dryland using dryland methods of seed bed preparation, planting and seeding rates. This method has produced acceptable yield increases in practice at the Garden City Experiment Station over an extended period of time. This case requires approximately 130 days or 3120 hours of pumping.

To project this case study the following yields will be used.

Full irrigation (Case I, IV)	125	bu.	per	ac.	a
Near full irrigation (Case III)					
Half irrigation (Case II)	90		11		
Off-season irrigation (Case IV)	68	11	11	11 (	С
Dryland fallow (Case I II III)	54	11	11	77 8	a

 $^{\rm a}\text{Eight}$  year average (1958-1965) of Kansas Performance Tests at the Garden City Experiment Station.

bYields interpolated on the basis of information in Musick, Jack T. and Grimes, Donald W., Water Management and Consumptive Use by Irrigated Grain Sorghum in Western Kansas, Kansas Agricultural Experiment Station, Technical Bulletin 113, 1961, Table 10, p. 15.

<sup>C</sup>Published results of off-season irrigation studies by the Garden City Experiment Station, 8 year average (1958-1965).

Yields for full irrigation were achieved with applications of 150 pounds of N per acre applied. Dryland and off-season irrigation only have no applications of nitrogen fertilizer. The off-season irrigation test have been continuously conducted on the same field for over 10 years.

The following table projects the yields of the four cases with the previously given assumptions.

With production of alternatives computed it is necessary to turn to cost of production for evaluation of the alternatives. It would be convenient to project cost from the basic case to other alternatives by computing those costs directly associated with irrigation; development costs, equipment costs and operating costs. However, changes in the organization involve changes in other costs such as tillage, seed and fertilizer, and harvesting costs.

Cost of production must include tillage costs for seed bed preparation, planting and cultivating. The number of tillage operations necessary will vary due to management and weather. Wet seasons will require additional operations for weed control and seed bed preparation. Dry seasons may require less operations for the same results. Assuming an average number of operations for most conditions and levels of management, full irrigation will require 10 tillage operations, summer fallow 4 tillage operations, dryland grain sorghums on fallow land 5 operations and off-season irrigation only will require 6 (one more than dryland) tillage operations.

Tillage operations will be charged at \$1.50 per operation per acre. This is considered sufficient to cover machine cost and labor for the farm operator. Heavy tillage operations such as plowing would cost more but lighter operations such as discing would be less with an average near this cost. An individual operator with good records could determine this cost more specifically for his operations.

Custom rates for the necessary operations in 1965 as reported by the Kansas Crop and Livestock Reporting Service are shown on table 8.

#### Table 7

#### Projected production of case studies.

C	a	S	ρ	1

Full irrigation

160 W 107 1 00 000 1

160 ac. X 125 bu. = 20,000 bu.

Dryland fallow grain sorghum

160 ac. X 54 bu. = 8640 bu.

Summer fallow

160 ac. = --

Total production 28,640 bu.

Case III

Near full irrigation

320 ac. X 115 bu. = 36,800 bu.

Dryland fallow grain sorghum

80 ac. X 54 bu. = 4320 bu.

Summer fallow

80 ac. = --

Total production 41,120 bu.

Case II

Half irrigation

320 ac. X 90 bu. = 28,800 bu.

Dryland fallow grain sorghum

80 ac. X 54 bu. = 4320 bu.

Summer fallow

80 ac. = --

Total production 33,130 bu.

Case IV

Full irrigation

160 ac. X 125 bu. = 20,000 bu.

Off-season irrigation

320 ac. X 68 bu. = 21,440 bu.

Total production 41,760 bu.

Table 8

Custom rates for land tillage operations in southwest Kansas,  $1965^{61}$ 

Tillage operation		
Moldboard plowing	1.00 - 5.50	3,27
Oneway plowing	.75 - 2.50	1.20
Tandem discing	.75 - 1.50	1.18
Spring tooth harrowing	.50 - 1.50	06.
Noble blade	1.00 - 2.50	1.31
Rotary hoe	.50 - 1.25	77.
Planting grain sorghum	1.00 - 2.50	1.50

61Rates for Custom Farm Operations, 1965 Kansas Crop and Livestock Reporting Service: United States Department of Agriculture and Kansas State Board of Agriculture, January 7, 1966.

Harvesting costs will be charged at 10 cents per bushel which would include hauling of the grain. This is comparable to current custom rates in the area.

Fertilizer cost will be computed at 10 cents per pound of N. which would cover the farmers cost of the material and his cost of application in Southwest Kansas.

Seed cost for hybrid grain sorghum is 20 cents per pound and will be charged at the recommended seed rate for the particular cropping method.

Cost of pumping and distributing water and irrigation equipment and development costs will be charged as outlined in the previous section of this report for costs.

Operating costs for pumping and distributing cost can be determined on a per hour basis. Fuel and oil costs for a well with 1200 gpm output and 220 feet of lift, using natural gas as fuel in southwest Kansas is 18.30 cents per hour. 62 Labor costs 63 and repair costs 64 for southwest Kansas are 13.39 cents and 21.38 cents per hour respectively. Total cost for this case study is 53¢ per hour of pumping required.

Development costs include the cost of the well, land grading costs and underground concrete pipe. For the 160 acres developed for irrigation in the present case study it will be assumed that land grading costs were \$50 per acre and one-half mile of 15 inch concrete underground pipe was installed. This represents a fairly typical situation in southwest Kansas. At current prices, the concrete pipe would cost \$4356 (2640 ft. X \$1.65) plus

<sup>62</sup> See Table 6, page 39 of this report.

<sup>63</sup> See page 41 of this report.

<sup>&</sup>lt;sup>64</sup>See page 40 of this report.

\$150 for two outlet valves. Well development cost would be \$4641.00 (350 ft. X \$13.26) $^{65}$  and land grading would be \$8000.00. This would make a total development cost of \$17,147.

Additional development cost for bringing additional land into irrigation for case II, III, and IV will be assumed to average \$50 per acre for additional land grading and will be the only additional cost needed.

Equipment costs include a power unit, \$2215,66 an irrigation pump, \$4976<sup>67</sup> and 1315 ft. of 10 inch aluminum surface pipe. This would require 650 feet of gated pipe and 665 feet of pipe without gates. At current prices of \$1.50 per foot and \$1.25 per foot respectively, the total cost of the pipe would be \$1806, making the total equipment cost, \$8997.

Real estate taxes for dryland cropland in southwest Kansas will average approximately \$1.00 per acre. According to the survey for this report, taxes on irrigated land averages \$1.63 per acre.

 $\label{lem:computed} \mbox{Interest on investment will be computed at six percent on one-half} \\ \mbox{of the original investment.}$ 

With these costs set out for the case study, tables 9 summarizes the costs of the four alternatives.

Costs used to compute direct crop costs for the annual summaries of the Kansas Farm Management Association include the same costs as used to develop production costs for this report with the exception of development costs. With association records, land grading costs are written off as a

<sup>65</sup>See Table 3, page 34 of this report.

<sup>&</sup>lt;sup>66</sup>See Table 4, page 37 of this report.

<sup>67</sup> See Table 5, page 37 of this report.

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Production Activity	Description	Costs
Tillage cost seed bed preparation, planting & cultivation	160 ac. full irrigation (10 operations) 160 ac. dryland graftn sorgh. (5 operations) 160 ac. summer fallow (4 operations) (8 \$1.50 per ac. per operation	\$4560.00
Harvesting costs	28,640 bu. @ 10¢ per bu.	2864.00
Seed costs	1840 lbs. hybrid seed @ 20¢ per lb.	368.00
Fertilizer costs	160 ac., 150 lbs of N per ac. @ 10¢ per lb.	2400.00
Operating costs pumping & distributing water	1680 hours @ 53¢ per hour	890.40
Annual equipment costs	\$2215 power unit/12 years life \$4976 pump + 1806 alum. pipe/15 years life	635.30
Annual development costs	\$17,147/25 years for recovery	685.90
Interest on investment	\$26,144 x 6%/2	784.30
Real estate taxes	160 ac. @ \$1.63; 320 ac. @ \$1.00	580.80
Total annual cost of production Average cost per acre		\$13,768.70

## able 9b

Case II

Production Activity	Description	Costs
Tillage costs seed bed preparation, planting & cultivation	320 ac. drzigated (10 operations) 80 ac. drzjadad grafu sorgh. (5 operations) 80 ac. summer fallow (4 operations) @ \$1.50 per ac. per operation	86080.00
Harvesting costs	33,130 bu. @ 10¢ per bu.	3313.00
Seed costs	3320 lbs. of hybrid seed @ 20¢ per lb.	00.499
Fertilizer cost	320 ac., 100 lbs N per ac. @ 10¢ per lb.	3200,00
Operating costs pumping & distributing water	1680 hours @ 53¢ per hour	890.40
Annual equipment costs	same as Case I	635.30
Annual development costs	\$17,147 + \$8000 land grading/25 years	1005.90
Interest on investment	\$34,144 x 6%/2	1024.30
Real estate taxes	320 ac. x \$1.63; 160 ac. x \$1.00	691.60
Total annual production cost Average cost per acre		\$17,504.50

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Case III

Production Activity	Description	Costs
Tillage costs seed bed preparation, planting & cultivating	320 ac. irrigated (10 operations) 80 ac. dryland grain sorgh. (5 operations) 80 ac. summer fallow (4 operations) @ \$1.50 per ac. per operation	\$6080.00
Havesting costs	41,120 bu. @ 10¢ per bu.	4112.00
Seed costs	3320 lbs. hybrid seed @ 20¢ per lb.	664.00
Fertilizer costs	320 ac., 150 lbs. N per ac. @ 10¢ per lb.	4800.00
Operating costs pumping & distributing water	3360 hours pumping @ 53¢ per hour	1780.80
Annual equipment costs	same as Case I	635,30
Annual development costs	same as Case II	1005.90
Interest on investments	same as Case II	1024.30
Real estate taxes	same as Case I	691.60
Total annual production costs Average cost per acre		\$20,793.90

# Table 9d

Case IV

FIDGUCTION ACCIVICY	Description	Costs
Tillage costs seed bed preparation, planting & cultivation	160 ac. full irrigation (10 operations) 320 ac. off-season irrigation only (6 operations) @ \$1.50 per ac. per operation	\$5280.00
Harvesting costs	41,440 bu. @ 10¢ per bu.	4176.00
Seed cost	2080 lbs. of hybrid seed @ 20¢ per lb.	416.00
Fertilizer costs	160 ac., 150 lbs. N per ac. @ 10¢ per lb.	2400.00
Operating costs pumping & distributing water	3120 hours of pumping @ 53¢ per hour	1653.60
Annual equipment costs	same as Case I	635,30
Annual development costs	\$25,147 + \$8000 land grading/25 years	1325.90
Interest on investments	\$42,144 x 6%/2	1264.30
Real estate taxes	480 ac. @ \$1.63	782.40

Costs used to compute direct crop costs for the annual summaries of the Kansas Farm Management Association include the same costs as used to develop production costs for this report with the exception of development costs. With association records, land grading costs are written off as a current expense the year they are paid and do not enter into the computation of direct costs. Also development costs are the expense of the landlord on leased land. With over half of the irrigated land operated by Association members being leased and the exclusion of land grading cost, direct cost reported would be two to five dollars less per acre.

For comparison, direct costs reported for Farm Management Association #3 in southwest Kansas<sup>68</sup> for case crop irrigated farms were \$32.77 in 1965, \$37.39 in 1964, and \$33.14 in 1963 for a simple average of \$34.43 per acre. These are averages of actual costs on irrigated farms of the area and are comparable to costs projected on Tables 9.

With the price of grain sorghum at \$1.00 per bushel, the following comparison can be made.

	Case I	Case II	Case III	Case IV
Total income	\$28,640	\$33,130	\$41,120	\$41,760
Production costs	13,769	17,505	20,794	17,934
Income over cost	14,871	15,625	20,326	23,826
Margin of income over Case I		754	5,445	8,955

Income over cost would not be a true profit figure since there are other indirect costs involved with in most farm operations. These indirect costs would include farm share of the automobile, utilities, fees, dues and

<sup>68</sup> Farm Management Summary and Analysis Report for Association No. 3, Extension Service, Kansas State University: 1963, 1964, 1965.

depreciation of farm buildings, interest paid for operating capital, land costs and insurance. These costs are highly dependent upon the financial position and age of the operator.

However, income over projected direct costs does give a fair appraisal of the alternatives.

In Case I, with the same amount of water used more extensively, the increase of \$754 annually would probably not be enough to induce a change to a program involving higher risk and additional capital expenditures.

Should the price of grain sorghums fall to 80¢ per bushel the margin would be nearly eliminated. The same effect would be felt if production was reduced by a lower level of management or by hail, high winds, early frost or other weather hazards.

If the assumption of no restrictions due to government programs and the ability to substitute from other acreages on the farm was dropped, the margin would also be reduced.

The margins in Case III and Case IV would be sufficient to warrant consideration of change in the cropping program. In these cases, however, the only limitation on the water supply was the capacity of the well with regard to the frequency of water demands by the grain sorghum plant. Both cases stress the importance of off-season irrigation.

If development cost were increased in any of the cases due to higher land grading costs and for the necessity of the installation of underground concrete pipe for adequate water transportation, the situation would change somewhat. To illustrate these implications with grain sorghums at 90¢ per bushel and a 20 percent reduction in production due to a lower level of management and weather hazards:

	Case I	Case II	Case III	Case IV
Total production, bu. Total income Production cost + \$50 per ac. increase in development costs	22,912 \$20,620 13,196	26,504 \$23,853 16,842	32,896 \$29,606 19,973	33,408 \$30,076 17,098
Income over costs	\$ 7,424	\$ 6,691	\$ 9,313	\$12,338
Margin of income over Case I		\$ - 733	\$ 1,889	\$ 4,914

With water limited due to the capacity of the well as in Case III and IV and with no capital limitation for development, another alternative should receive consideration. This would be the possibility of developing a second well and irrigating the entire three quarters at the full irrigation level. Case III and IV would then become transitional stages to complete development for an intense, highly productive irrigation program.

#### SUMMARY

The profitability of extending a limited amount of irrigation water is dependent upon the type of limitation and the degree of extension. Should water be limited to a given quantity that could be pumped annually by governmental restriction or serious water depletion, alternatives for profitably extending irrigation water would fall in a narrow range with present technology. Implications of this study indicate extension of water beyond 50 percent of full irrigation requirements would not be profitable. On the other hand, if water was limited only by the capacity of the irrigation well and necessary frequency of water application, opportunities to profitably extend irrigation water with off-season or supplementary irrigation practices are excellent.

Limitation to a given quantity of water is a theoretical question anticipating water depletion to the point requiring governmental regulation. With present technological trends in irrigation development and knowledge of ground water supplies in southwest Kansas, this is a definite possibility sometime in the future. How soon this phenomenon will become a critical problem is of major concern and considerable debate.

Limitation by the capacity of existing irrigation wells due to the inability to develop additional wells is a real problem now existing in southwest Kansas. Inability to develop additional wells may be due to the lack of water source in fringe areas, lack of necessary capital, insufficient supply

of capable labor, present land ownership structure, conservativeness of the operator and many other reasons.

Increased efficiency of irrigation water at lower levels of intensity have been adequately demonstrated with applied experimental work at various experiment stations. This however falls within certain ranges. For example, evaporation due to low humidity, high temperatures, and wind velocity would cause relatively constant absolute losses of water in a given period of time. This would constitute a greater loss in proportion with a light water application (say four acre inches) as compared to a heavier application (say nine acre inches).

Even with increased water efficiency (relative to production per inch of water applied) total yields are decreased due to decreases in the total amount of water applied. The only exception is in years with unusually high rainfall during the growing season. These years are offset by greater reductions in extremely dry years. With a decrease in absolute yield, the profitability of extending water depends upon the ability of the operator to reduce production cost accordingly. This is much more difficult with the limited opportunities afforded in extending a given quantity of water than in extending water with off-season or supplementary irrigation. This is especially true of those costs related to the degree of necessary intensity of tillage practices.

In actual practice a majority of the irrigation farmers in southwest
Kansas are currently extending irrigation water as demonstrated with Case III
and Case IV of this report. Extension of water as illustrated by Case II
presently would be considered only in a very limited degree. Extensive
spreading of water would be associated with lack of experience, poor manage-

ment or the unforeseen problems of breakdown of the pumping plant during critical irrigation periods.

Irrigation farming is a highly intensive, relatively expensive method of crop production. Profitability depends upon high yields of crops. Reduced yields of extensive irrigation methods require similar reductions in production costs. With present technology, spreading a given amount of water over more acres can be profitably done within narrow limits. Development of less expensive minimum tillage practices in the future would lend itself to this approach. Should water regulation become a reality, there is little question technology would develop rapidly in this direction.

However, with present conditions and technology, it is more profitable to maintain relatively high levels of irrigation in combination with offseason and supplementary irrigation.

#### VTT

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#### VIII

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IX

APPENDIX

### IRRIGATION SURVEY OF FARM MANAGEMENT ASSOCIATION MEMBERS IN SOUTHWEST KANSAS

List acreage of each crop ir	6		2	•		
Wheatac		List of	hers			
Grain Sorghumac						ac.
Cornac						ac.
Alfalfaac	•					ac.
Complete this question if you produced grain sorghums in 1966.						
acres irrigated p	rior to	the gro	wing	season	(pre-irr	igation)
estimated acre inches of water applied for pre-irrigation						
acres (if any) th	at was	pre-irri	gate	only.		pounds
of N (actual nitrogen) applied bushels of grain						
produced on this	acreage					
						/ 5.
Irrigation for grain sorghum	produc	tion dur	ing t	he grow	ing seaso	on, (after
Irrigation for grain sorghum the crop was planted).	produc	tion dur	ing t	he grow	ing seaso	on, (after
	produc					
	produc	No	. of	times tl	he crop v	vas irrig
	produc	No af	. of	times tl	he crop was seed	vas irrig
the crop was planted).	produc	No af	. of	times tl	he crop was seed	vas irrig
	produc	No af	. of	times tl	he crop was seed	vas irrig
the crop was planted)	produc	No af	. of	times tl	he crop was seed	vas irrig
Acres irrigated Ac. inches of water applied Total bushels produced		No af	. of	times tl	he crop was seed	vas irrig
Acres irrigated Ac. inches of water applied	ied per	No af	. of	times tl	he crop was seed	vas irrig
Acres irrigated Ac. inches of water applied Total bushels produced Lbs. of actual nitrogen appl.	ied per	No af	. of	times tl	he crop was seed	vas irrig
Acres irrigated Ac. inches of water applied Total bushels produced Lbs. of actual nitrogen appl. Any other fertilizer used: k	ied per	No af	. of	times tl	he crop was seed	vas irrig
Acres irrigated Ac. inches of water applied Total bushels produced Lbs. of actual nitrogen appl. Any other fertilizer used: k	ied per ind	No af On acre	one	times the crop	he crop v was seed 3 times	vas irrig. led. \$\frac{4}{4}\times

4. Total cost of fuel and oil used for irrigation pumping in 1966 to date:

§ \_\_\_\_\_. (If you have unpaid fuel bills for this year, include the amount of these in the total dollar figure.)

Type of fuel used for power in your irrigation pumping plant?
 (natural gas, diesel, LP, electricity)

Estimated hours of <u>labor</u> (hired and operator's) required per day to irrigate on your farm hours. (Time required for setting water, moving pipe, setting tubes, checking water sets, opening and closing ditches, servicing pumping plant, etc.)

6.	Cost of repairs in 1966 for the irrigation plant. (Include any unpaid bills due and if more than one well is involved, combine into one total for the following catagories.)
	a. Irrigation power unit \$ b. Irrigation well and pump \$ c. Other irrigation equipment \$ (repairs on pipe, valves, etc.)
7.	Acres of irrigated land owned ac. 1966 real estate tax on owned land \$
8.	Information on irrigation well. If you operate more than one well, list wells separately. $ \\$
	a. Capacity of well gallons per minute.  Depth of well ft. Pump set at ft.  Hours pumped in 1966 hrs.  year well was developed.  Original cost: (Depreciation basis on your depreciation Well \$ ft.  schedule Form 19, Original Cost) Pump \$ ft.
	b. Capacity of well gallons per minute.  Depth of well ft. Pump set at ft.  Hours pumped in 1966 hrs. year well was developed.  Original cost: Power Unit \$  (Depreciation basis on your depreciation Well \$  schedule Form 19, Original Cost) Pump \$  (If the well is on leased land, mark rented across the cost items listed)
	c. Capacity of well gallons per minute.  Depth of well ft. Pump set at ft.  Hours pumped in 1966 hrs.  year well was developed.  Original cost: (Depreciation basis on your depreciation Well \$ schedule Form 19, Original Cost) Pump \$ (If the well is on leased land, mark rented across the cost items listed)
	d. Capacity of wellgallons per minute.  Depth of wellft. Pump set atft.  Hours pumped in 1966hrsyear well was developed.  Original cost: Power Unit \$  (Depreciation basis on your depreciation Well \$  schedule Form 19, Original Cost) Pump \$  (If the well is on leased land, mark rented across the cost items listed)

If you operate more than four wells, please put the same information for additional wells on the back of this sheet.

TABLE 1.--Summary of irrigation survey of farm management association members in southwest Kansas--1966

		1966 Expense					
Farm No.	Type of Fuel	Fuel Cost	Power unit Repair	Well & Pump Repair	Other Irrig. Equipt. Repair	Well Capacity GPM	Hrs. Pumped Hrs.
GT-1 GT-2 GT-4	NG NG NG	289 305 460	51 100 90	15 185	<b></b> 55	1200 900 450 400	1530 4098 1050 870
GT-8	NG	585	475			650 1000	2450 3600
GT-9	NG	795	500			600 3000	1440
GT-10 GT-11 GT-12	NG NG NG	519 693 793	180 2142 1091	==	117	700 1500 1200 - 1600	650 2100 4803 2400
MT-4	NG	400	3500		250	1500 1000 500 250	2512 1000 1000 1000
MT-15	NG	1529	500	100	49	600	1000 4300
MT-24	NG	1901	603		· <del></del>	400 600 860	4300 5000 5000
SW-l	NG	1083	538		25	600 1700	5000 3000
SW-5 SW-12 SW-20	NG NG LP&NG	750 686 943	439 314 342	==	=	1300 - 1960 2000 1700	2868 3696 2530 2960
SW-23 SW-24 FI-5	NG NG NG	1700 700 927	344 104 118	480  46	89 75 20	1500 1800 2100 1200	1800 1800 1100 2000
FI-12 FI-14 FI-19	NG NG LP&NG	290 800 7707	72 1500 1240	77  565	145 125	1800 2285 2000 850 1500	2700 3000 3840 1860 2280
FI-20	NG	1104	300		129	1500 1500 972 1500 760	2815 1497 1400 1250 1170

TABLE 1--Continued

			19	66 Expen	.se		
Farm No.	Type of Fuel	Fuel	Power unit Repair	Well & Pump Repair	Other Irrig. Equipt. Repair	Well Capacity	Hrs. Pumped
		\$	\$	\$	\$	GPM	Hrs.
FI-37	NG	870	250	2100	160	2000 2200 1600 1600	907 1133 1500 1012
FI-44	NG	640	385	390	35	1200 1300 1800 2000	2000 1500 700 500
FI-48	NG	2040	1701	595	430	1500 2500 700 1300	3550 1400 2000 5100 2800
FI-49 FI-53	NG NG	60 770	20 140	==	65	1154 1700 1400	1248 1934 2180 1982
FI-56	NG .	920	600		500	1800 1500 1500 400 600	2500 2000 1750 4000 3000
FI-57 FI-67	NG NG	200 662	100	==	286	2000 2250 1800	1000 1500 1860
FI-69	NG	700	200	550		1000	2000
FI-72	NG	850	600	20	300	1800 1700 1500	1800 4000 4000
FI-73 FI-77	NG NG	359 1200	885 600	2100	65 200	1400 2400 2200 2000	4620 2410 1800 600
FI-81 FI-85	D NG	790 2500	100	10	80	2000 1685 1500 1670 1600	540 1369 3600 1200 4000
ST-1	NG	947	1481		22	1200 1960 1780 2000	2000 1800 1900 400

TABLE 1--Continued

-			19	66 Expen	.se		
Farm No.	Type of Fuel	Fuel Cost	Power unit Repair	Well & Pump Repair	Other Irrig. Equipt. Repair	Well Capacity GPM	Hrs. Pumped Hrs.
ST-2	NG	1670	110	25		2060	2586
ST-6	NG	900	200			2000 1000	1800 1450
ST-9	NG	841	685	200		1400 700 1400	1220 1922 2700
ST-10	NG	603	102		18	2100 1000	2000 1500
ST-11	NG	2078	599	1906	27	1000 1850 1850 1100	2100 2400 2600
ST-13 ST-14	NG NG	872 971	35 450		220	1400 1500	3200 800 4500
ST-16	NG	1800	1700	850	450	2000	1500 4500
ST-17	NG	2300	2500			2500 1500 1500 1500 1500	3700 2400 2400 2400 2400
ST-19 ST-22 ST-23 ST-24 ST-26 ST-27 SV-12	NG NG NG NG NG NG	580 1000 310 300 1541 311 972	75 72 92 50 196 68 83	70    359	70 60 348 42 56	1500 1200 1950 1200 900 1200 2000 1800	2400 680 3130 1008 4600 3688 968 1985
SV-13 SV-16 ME-16 HS-1	NG NG NG NG	300 776 1200 1447	146 28  907	815 3364	40 825	1800 1000 1650 2000 650	987 1168 2200 3000 3600
HS-3	NG	3150	2000	500	100	1900 2000	3000 4000
HS-4 HS-5	NG NG	550 1020	33 650	12	9 65	1800 1500 1800	3000 1720 1600
HS-7	NG	1400	1000		250	1100 2000 2100	1500 4000 4154

TABLE 1--Continued

			1966 Expense				
Farm No.	Type of Fuel	Fuel Cost	Power unit Repair	Well & Pump Repair	Other Irrig. Equipt. Repair	Well Capacity GPM	Hrs. Pumped Hrs.
HS-13	NG	1885	73	769		2000	1500
HS-14	NG	1500	600	700	100	2000 1100 2000	1250 950 1350
HS-15	NG	1500	200		200	1500 1600	2000
HS-16	NG	1200	400	50	75	2000 1450	1600 2600
HS-17	NG	630	425		150	1200- 1400 1100	2800 2500 2000 4000 4000 2500
HS-18	NG	2000	1300	392		1800 1200 2000	
HS-19 HS-20 HS-22	NG NG NG	589 1044 836	552 289 150	 350	95 185	1170 2000 1800 1400	3000 2900 3860 1490
HS-23	NG	2050	530			1400 2000 2000 2000	1690 2500 2000 2000
HS-24	NG	1160	75		25	2000 1100 2000	2000 1100 1500
HS-25	NG	2825	2200	130	150	1100 1200 2300 2500	150 2400 3200 400
HS-26	NG	1250	300			2000 2000 2000	900
HS-27	NG	1850	1045			1000	5000 5000
Tota	als	85678	41535	17725	6819		361360

TABLE 2.--Summary of irrigation survey of farm management association members in southwest Kansas--1966

Farm No.	Hrs. of Labor per Day for Irrig. Hrs.	No. of Wells	Depth of Wells	Pump Setting Ft.	Orig. Cost Power Unit	Orig. Cost Well	Orig. Cost Pump	Year Devel.
GT-1 GT-2 GT-4	6 5 9	1 1 3	590 293 370 417 355	210 250 180 280 220	3442 2671 2000 2000 4000	8488 5200 4000 5000	5327 750 2400 4200	1966 1945 1948 1956
GT-8	_ 2	2	310 300	265 265	1360 5000	2600 3010 R	3500 5000 R	1959 1962 1947
GT-9	3	2	393 320	140 270	2399	4912 4943	3773 4701	1963 1965
GT-10 GT-11 GT-12	3 6 3•5	1 2	390 330 315 320	230 240 270 250	1947 4000 R R	2340 7000 R R	3533 4500 R R	1954 1956 1951 1954
MT-4	10	4	265 198 140 130	240 180 135 125	3000 1517 R	R R R 2000	R R R	1965 1962 1948
MT-15	2	2	285 280	280	614 735	5152 4242	1900 2732 3435	1963 1964 1963
MT-24	4	3	360 600	340 370 450	1215 3824 1802	4942 7364 R	3685 6568 6313	1965 1966 1966
SW-1	3	2	358 415	270 220	R 2600	R 4980	R 2950	1948 1956
SW-5 SW-12 SW-20	2 4 2	1 2	400 635 400 396	250 2 <b>75</b> 260	3500 6765 R	5200 7910 R	5010 6200 R	1953 1965 1955
SW-23 SW-24 FI-5	3 2 5	1 1 2	390  320	230 240  175	3813 R 4200	4586 R  R	5451 R  R	1956 1956 1956 1949
FI-12 FI-14 FI-19	1.3 2 16	1 1 4	448 417 220 265 300	220 140 190 240 265	4356 4500 R R R	5644 4000 R R R	5457 4500 R R R	1965 1956 1955 1949 1955
FI-20	8	3	300 295 126 150 150	285 280 120 110 120	2715 2050 1860 1720 1720	3731 3840 R R	6856 6867 R R	1956 1963  

TABLE 2--Continued

Farm No.	Hrs. of Labor per Day for Irrig. Hrs.	No. of Wells	Depth of Wells	Pump Setting Ft.	Orig. Cost Power Unit	Orig. Cost Well	Orig. Cost Pump \$	Year Devel.
FI-37	6	4	300 297 100	110 40 90	2700 2250 1500	3000 3000 1660	2500 2000 1300	1955 1956 1965
FI-44	15	4	200 250 250 250	180 150 170 150	1300 400 800 3200	2200 2250 R 2750	3000 2000 R 1750	1964 1952 1953 1955
FI-48	7.5	5	235 320 130 180 290	180 200 130 160 160	1400 4400 1850 1500 2355	3000 4433 1690 2400 3700	2400 5051 3260 1900 3200	1966 1964 1959 1949
FI-49 FI-53	2 14	3	250 200 203 216	160 180 120 140	2400 1000 3000 2915	3000 2600 2900 2878	2700 4402 3200 3455	1965 1966 
FI-56	7.5	5	250 300  	160 195 130 130	1900 1600 2500 1200	3350 R R R R	3100 R R R	1950 1957 1957 1948
FI-57 FI-67	2 4	1 2	300 340	210 200 130	1000 R R	R R R	R R R	1951 1965 1957
FI-69	2	2	320 307	130 200	R 5510	R 3990	R 6500	1939
FI-72	4	2	322 270	240 200	3500 2560	4000 2511	5500 3674	1965 1958
FI-73 FI-77	4 5	1 4	270 256 385 383 372	180 250 150 140 135	2560 3080 4000 3000 2800	2500 3328 3000 5000 5000	3800 4272 5000 2900 2300	1948 1950 1956 1956 1965
FI-81 FI-85	2	1	372 373 282 315 310 320	140 277 220 210 285	2000 R 1500 2700 R	5600 R 4095 4030 R	2300 R 4505 4970	1966 1965 1955 1965
ST-l	4	3	300 440 442	190 170 190	R 5100 4000	R 5200 5200	R 3800 4200	1963 1958 1956 1959
ST-2	4.5	2	435 400 400	190 150 150	4600 3280 2800	5500 6591 4940	4800 3559 4353	1963 1964 1957

TABLE 2--Continued

Farm No.	Hrs. of Labor per Day for Irrig. Hrs.	No. of Wells	Depth of Wells Ft.	Pump Setting Ft.	Orig. Cost Power Unit	Orig. Cost Well	Orig. Cost Pump	Year Devel.
ST-6	2	2	320	160	R	R	R	1960
ST-9	. 4	3	300 390 400	160 120 200	R 3200 3000	R 2337 5525	R 2384 3000	1947 1953 1963
ST-10	3	2	400 254	200 145	4458 2500	R 3302	R 2398	1963 1952
ST-11	. 4	3	425 325 325 390	220 190 200 260	2400 2620 3849 4490	5525 4225 4225 5129	4475 2685 3980 5592	1964 1962 1964
ST-13 ST-14	1 3	1 2	426 390 393	270 210 240	3843 2250 3190	5756 R 5422	5271 R 5626	1965 1963 1956
ST-16	8	2	400 400	110	4325	5165	4570	1966
ST-17	14	5	440 440 440 440	210 210 210 210 210	3700 6000 5200 5250 5800	4400 6000 5720 5020 5500	2600 4500 4550 6000 5500	1962
ST-19 ST-22 ST-23 ST-24 ST-26 ST-27 SV-12	32.5 4 2 3 5 2	1 1 1 1 1 2	440 300 450 300 363 420 373 400	210 220 250 180 200 260 220 220 235	5450 2872 3060 3500 1959 3725 2800 2400 2500	5720 4050 5460 4200 4888 6015 4243 5050 6414	5650 4289 5597 5000 3736 5826 4611 5550 4634	1956 1964 1956 1960 1963 1964
SV-13 SV-16 ME-16 HS-1	3 2 6 4	1 1 2	532 430 416 416	420 373 185 270	3650 3500 R 3234	7918 5100 R 4908	6886 7200 R 3613	1965 1965 1966 1954 1950
HS-3	4	2	475 400	320 250	3336 5000	6650 5000	5001 5000	1954 1954
HS-4 HS-5	4 2	1 2	420 360 445	280 180 250	5000 5400 3500	5000 4300 5500	7600 3700 5500	1959 1954 1955
HS-7	6	2	288 410	220 380	R 6000	R 6000	R 2000	1951 1957
HS-13	4	2	380 450 <b>5</b> 9 <b>7</b>	320 230 305	3575 5500 4429	6136 8700 <b>7</b> 805	6172 7300 <b>7</b> 761	1964 1955 1966

TABLE 2--Continued

Farm No.	Hrs. of Labor per Day for Irrig. Hrs.	No. of Wells	Depth of Wells	Pump Setting Ft.	Orig. Cost Power Unit	Orig. Cost Well	Orig. Cost Pump	Year Devel.
HS-14	4	3	460 490 460	260 360 360	R R R	R R R	R R R	1955 1955
HS-15	4	2	422 425	250 255	4000	4500 4500	5500 5500	1955 1964
HS-16	4	2	396 369	300	3678 3500	5137 4500	6822 5500	1964 1956
HS-17	3	2	400 400	280	4113 3177	6395 4000	7000 6092	1954
HS-18	5	3	425 475 375	300 350 280	3500 4000 2500	R 6000 6000	R 5000 5000	1956 1955 1964
HS-19 HS-20 HS-22	2.5 4 4	1 1 3	405 450 425 418	260 250 297 200	5803 4430 7000 R	6418 6750 5100 R	3522 6750 5400 R	1955 1956 1947 1954
HS-23	3.3	4	420 380 490 410	180 240 310 210	R R R R	R R R R	R R R	1965 1964 1966 1965
HS-24	3	3	380 172 200 185	340 120 100 160	1000	1720 4100	R 1280 2000	1956 1954 1961
HS-25	2	3	187 415 350	145 240	1250 2390 5105	2350 2400 5395	1400 2000 5500	1966 1956 1961
HS-26	3	2	440 440	145 220 220	3425 3536 3494	4550 4800 4800	4718 5675 5040	1966 1965 1965
HS-27	1.5	2	340 420	280 340	R R	R R	R R	1951
Totals	322.1	158	4098	34087	398150	508103	482715	

TABLE 3.--Summary of irrigation survey of farm management association members in southwest Kansas-1966

Farm No.	Acres of Irrig. crop 1966	Acres Irrig.	1966 Real estate taxes \$
GT-1 GT-2 GT-4 GT-8 GT-8 GT-10 GT-112 MT-15 MT-15 SW-24 SW-23 SW-23 SW-23 SW-23 SW-23 SW-23 SW-23 SW-25 FII-14 FII-37 FII-57 FII-57 FII-57 FII-67 STI-6 STI-8 STI-	171 3267 2658 2495 2690 2509 2509 2524 2696 2750 2509 2509 2696 2750 2714 271 2655 271 277 2655 277 2655 277 2655 277 2655 277 2655 277 2655		

TABLE 3--Continued

Farm No.	Acres of Irrig. crop 1966	Acres Irrig.	1966 Real estate taxes
ST-16 ST-17 ST-17 ST-19 ST-22 ST-23 ST-24 ST-26 ST-27 SY-13 SY-13 SY-16 ME-16 ME-16 ME-16 ME-16 ME-16 ME-16 ME-16 MS-1 HS-17 HS-17 HS-17 HS-17 HS-17 HS-17 HS-18 HS-18 HS-27 HS-28 HS-28 HS-28 HS-28 HS-27 H	468 1400 127 348 121 376 320 180 361 232 128 562 468 1410 158 365 680 482 400 488 664 538 887 286 349 445 768 304 686 650 470	1760 1600 1900 1900 4733 325 140 1600 265 486 240 320 12000 158 156 1000 640 260 480 315 714 280 630 265 418 480	2430 1800 280 696 450 180 141 365 294 300 378 1250 179 204 3400 769 463 470 370 1500 380 700 225 520 550
Totals	35673	23483	38004

TABLE 4.--Summary of 54 irrigation wells developed in southwest Kansas--1960-1966

Farm No.	Year Devel.	Well Capacity GPM	Depth of Well Ft.	Pump Setting Ft.	Original Cost Power Unit	Original Cost Well	Original Cost Pump \$
***************************************		De	800 GE	PM or Les	s Less		
MT-4 MT-4 MT-15 MT-15	1962 1963 1964 1963	500 300 600 400	198 130 285 280	180 125 280 200	1517 900 614 735	R 2000 5152 4242	R 1900 2732 3435
Tota	als	1800	893	785	3766	11394	8067
		D	800 GE		s Over		
GT-9 MT-24 MT-24	1965 1965 1966	700. 600 600	320 360 600	270 340 450	2199 1215 1812	4943 4942 7680	4701 3685 6313
Tota	als	1900	1280	1060	5226	17565	14699
		De		-1600 GPM			
FI-19 FI-48 FI-49 FI-37 FI-37 HS-24 MT-4	1963 1965 1966 1965 1964 1966	1500 1200 1154 1600 1600 1100	295 250 200 100 200 185 265	280 160 180 90 180 160 240	2050 2400 1000 1500 1300 1250 3000	3840 3000 2600 1660 2200 2350 R	6867 2700 4402 1500 3000 1400 R
Tota	als	9154	1495	1290	12500	15650	19869
		D	801- epth 30	-1600 GPM	Over		
FI-48 HS-16 ST-9 ST-10 ST-11 ST-13 ST-24 ST-26 SY-16 GT-1 GT-8 MT-24	1964 1963 1964 1965 1963 1960 1963 1965 1966 1966 1966	1500 1450 1400 1000 1100 1400 900 1200 1000 1650 1200 1000 860	320 396 400 425 390 428 363 420 532 430 590 310	200 300 200 220 260 270 200 260 420 373 210 265 370	4400 3678 3000 2400 4490 3834 19725 3650 3500 3442 1360 5824	4433 5137 55225 55225 5729 5756 4888 6015 7918 5100 8488 3010 7364	5051 6822 3000 4475 5592 5271 3736 5826 6886 7200 5327 3600 6568
Tota	als	15660	5604	3548	43262	74288	69354

TABLE 4--Continued

Farm Year No. Devel.	Well Capacity GPM	Depth of Well Ft.	Pump Setting Ft.	Original Cost Power Unit	Original Cost Well	Original Cost Pump \$
	De	pth 300		Less		
FI-44 1966 HS-24 1961	2000 2000	235 200	180 100	1400 2000	3000 4100	2400 2000
Totals	4000	435	280	3400	7100	4400
	I	1601 G epth 30	PM & Ove l ft. &	er Over		
GT-9 1963 FI-5 1965 FI-77 1966 FI-77 1966 FI-85 1965 HS-17 1964 HS-13 1966 HS-15 1964 HS-15 1964 HS-26 1965 HS-26 1965 HS-26 1965 ST-1 1964 ST-11 1964 ST-11 1964 ST-11 1964 ST-12 1965 ST-12 1964 ST-14 1966 ST-27 1965 ST-12 1965 ST-12 1965 ST-12 1965 ST-12 1965 ST-14 1966 ST-15 1966 ST-16 1962	3000 1800 2000 2000 2000 2100 2000 2000 2	393 448 372 373 3122 380 597 425 375 440 440 435 400 325 325 450 373 460 635 400 600 600 600 600 600 600 600 600 600	140 220 135 140 210 240 320 255 280 220 220 190 200 200 200 255 275 275 110 5330	2399 4356 2800 2000 2700 3570 4429 4000 2500 3573 4429 4000 2500 3280 4458 3847 2662 3190 3060 2800 2500 6765 3425 3700	4912 5644 5000 5600 4030 4000 6136 7805 4500 6000 5395 4800 4800 5500 6591 R 4225 5460 4225 5460 4243 6416 7910 4550 4400	3773 5457 2300 2300 24970 5500 6172 7761 5500 5675 5040 4800 35559 4800 2685 5626 5597 4611 4634 6200 113958

TABLE 5 .-- Summary of fuel and oil cost

	80	00 GPM or Les	ss	
Farm No.	150 or Less	Feet of Lift 151-250 \$	251 and over	Hours Pumped
GT-8 GT-4 MT-4 MT-15 MT-24		460 400	585 1529 1901	5000 4370 4000 8600 15000
Totals		860	8370	36970
	8	301-1600 GPM		
GT-1 GT-2 GT-9 GT-10 GT-11 GT-12		289 305 795 519 693	793	1530 4098 1650 2100 4803 4912
SW-1 ST-6 ST-9 ST-10 ST-13		900 841 603	1083 872	5868 2670 6622 3600 800
ST-17 ST-19 ST-23 ST-24		2300 580 310 300	25/2	12000 680 1008 4600
ST-26 SV-13 HS-1 HS-3 HS-4 HS-5		550 1020	1541 300 1447 3150	3688 1168 6600 7000 1720 3100
HS-14 HS-16 HS-17 HS-19 HS-22		1020	1500 1200 630 589 836	3500 5400 4500 3000 7020
HS-24 HS-27		1160	1850	2750 10000
FI-5 FI-20	1104	927	20,0	4700 3820
FI-44 FI-48 FI-49		640 2040 160		4700 14850 1248
FI-53 FI-56	770 920			6096 13250

TABLE 5--Continued

	801-1600 GPM			
Farm No.	150 or Less	eet of Lift 151-250	251 and Over	Hours Pumped
FI-73 FI-85 FI-69 FI-72		357 2500 700 850		4620 10800 3800 8000
Totals	2794	19339	15791	192271
	16	Ol GPM & Ov	er	
SW-5 SW-12 SW-20 SW-23		470	750 686 943	3696 2530 4760 1800
SW-24 FI-14 ST-1 ST-2 ST-11 ST-14 ST-16	1670	800 974	700	1100 3840 4100 4386
	1800	2078 971		8200 6000 8200
ST-22 ST-27 SV-12 SV-16		1000 311 972	776	3130 968 2945 2200
ME-16 HS-7 HS-13 HS-15		1200	1400 1885 1500	3000 4154 2750 3600
HS-18 HS-20 HS-23 HS-25		1044 2825	2000 2050	10500 2900 8500 6000
HS-26 FI-12 FI-57	290	350	200	1700 3000 1000
FI-67 FI-77 FI-81 FI-37	662 1200 870		790	3360 5350 1396 4552
Totals	6492	12995	13680	119617

## AN ECONOMIC ANALYSIS OF IRRIGATION WITH A LIMITED SUPPLY OF WATER IN SOUTHWEST KANSAS

by

DANNY D. TRAYER

B. S., Kansas State University, 1951

AN ABSTRACT OF A MASTER'S THESIS

submitted in partial fulfillment of the

requirements for the degree

MASTER OF SCIENCE

Department of Agricultural Economics

KANSAS STATE UNIVERSITY Manhattan, Kansas The problem of determination of the most efficient and profitable use of a limited supply of water for irrigation in relation to a relatively large quantity of land suitable for irrigation in southwest Kansas is a current controversy of importance. Water supply may be limited by the capacity of the irrigation well to produce water in relation to timeliness of application necessary for high yields. Water for irrigation may also be limited by depletion of the available ground water resources to the extent that only a given quantity of water could be used annually due to government regulation or available water supply. Consideration is given to both types of limitation in this thesis.

Yield data for grain sorghums were obtained from experimental work done at the Garden City Branch of the Kansas Agricultural Experiment Station in a period from 1958-1965. The experiments during this period used the same methods of production.

Major emphasis was directed to the determination of the cost of irrigation in southwest Kansas. A survey of farm management association members was conducted to develop these costs. Association members were selected for the survey because of known accuracy and accessability of farm records of costs. This record program is supervised by extension economists in farm management, Kansas State University. Questionnaires were completed by 75 farmers operating 158 pumping units with approximately eight to ten percent of the total irrigated land in the seven county area of southwest Kansas.

Irrigation costs were divided into three categories: development costs, equipment costs and operating costs. Development costs included capital expenditures for irrigation improvements with an indeterminate life due

to wear and tear. These expenditures include the cost of developing the irrigation well, installation of underground concrete pipe and land grading.

Irrigation equipment subject to depreciation (including the power unit, irrigation pump and aluminum surface pipe) were classified as equipment costs. Operating costs were those costs with a linear relationship to hours of pumping. These include fuel and oil, repairs and labor for water distribution.

Cost information was developed in a form suitable for appraisal of alternatives available with a limited supply of water. Hypothetical case studies considering the production of grain sorghum were employed to demonstrate the use of these cost data. Although the case studies were limited to grain sorghum production, these costs are cast in a framework suitable for the appraisal of cost of any irrigated crop in southwest Kansas.

The case studies reveal that spreading of a fixed quantity of water (suitable to fully irrigate 160 acres) to 320 acres would increase total production due to increased water efficiency. However, the increase in total production costs reduced the margin of profit to a point that would not justify water extension to this degree in light of the additional risk involved and present technology. Although this investigation did not include studies of water extension to a lesser degree (say 240 acres instead of 320 acres) implications would indicate that this could be done profitably.

If the water limitation was due to well capacity during the growing season, case studies show that pumping additional water during the off-season months would increase profits sufficiently to justify this method of water extension.