## Costs and Returns per acre from establishing alfalfa in oat hay, 2006

### Carbon County

#### Receipts

<table>
<thead>
<tr>
<th>Oat Hay</th>
<th>Unit</th>
<th>Price/cost per unit</th>
<th>Value/cost per acre</th>
<th>Base Value</th>
<th>Your Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5 tons</td>
<td></td>
<td>$67.67</td>
<td>$101.50</td>
<td>$101.50</td>
<td></td>
</tr>
<tr>
<td>Residue</td>
<td>AUM</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
</tbody>
</table>

**Subtotal**

| $101.50 | $101.50 |

#### Operating costs

**Land preparation**
- **Plowing**
  - 1 acre: $22.78
- **Roller harrow**
  - 2 acres: $28.66
- **Discing**
  - 1 acre: $11.56
- **Planting**
  - 1 acre: $12.21

**Seed**
- **Oat seed**
  - 20 pounds: $0.17
- **Alfalfa seed**
  - 15 pounds: $3.40

**Fertilization**
- **Nitrogen (34-0-0)**
  - 100 pounds: $17.85
- **Phosphate (11-52-0)**
  - 200 pounds: $35.70
- **Custom application**
  - 1 acre: $7.82

**Irrigation (gated pipe)**
- **Labor**
  - 1.33 hours: $13.33
- **Water assessment**
  - 1 share: $5.00
- **Repairs/maintenance**
  - 1 acre: $2.30
- **Pumping**
  - 29 acre inch: $0.00

**Harvesting**
- **Swathing**
  - 1 acre: $15.56
- **Raking/turning**
  - 1 acre: $4.69
- **Baling**
  - 1.5 tons: $7.19
- **Hauling/stacking**
  - 1.5 tons: $5.45

**Interest on operating capital**
- 7.61%

**Subtotal**

| $241.80 | $261.91 |

#### Ownership costs (excludes cost of land)

<table>
<thead>
<tr>
<th>Farm insurance</th>
<th>Machinery ownership costs</th>
<th>Irrigation equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 acre</td>
<td>1 acre</td>
<td>1 acre</td>
</tr>
<tr>
<td>$2.00</td>
<td>$107.98</td>
<td>$8.25</td>
</tr>
</tbody>
</table>

**Total costs**

| $360.03 | $380.14 |

#### Net returns to owner for unpaid labor, management, equity and risk

- **Above operating costs**: -$140.30
- **Above total listed costs**: -$258.53

### Breakeven Table - Oat Hay

#### Net returns per acre above operating costs

<table>
<thead>
<tr>
<th>Yield (Ton/Ac)</th>
<th>$57.67</th>
<th>$62.67</th>
<th>$67.67</th>
<th>$72.67</th>
<th>$77.67</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>-$229.17</td>
<td>-$229.17</td>
<td>-$229.17</td>
<td>-$229.17</td>
<td>-$229.17</td>
</tr>
<tr>
<td>0.50</td>
<td>-$204.54</td>
<td>-$202.04</td>
<td>-$199.54</td>
<td>-$197.04</td>
<td>-$194.54</td>
</tr>
<tr>
<td>1.00</td>
<td>-$179.92</td>
<td>-$174.92</td>
<td>-$169.92</td>
<td>-$164.92</td>
<td>-$159.92</td>
</tr>
<tr>
<td>1.50</td>
<td>-$155.30</td>
<td>-$147.80</td>
<td>-$140.30</td>
<td>-$132.80</td>
<td>-$125.30</td>
</tr>
<tr>
<td>2.00</td>
<td>-$130.67</td>
<td>-$120.67</td>
<td>-$110.67</td>
<td>-$100.67</td>
<td>-$90.67</td>
</tr>
<tr>
<td>2.50</td>
<td>-$106.05</td>
<td>-$93.55</td>
<td>-$81.05</td>
<td>-$68.55</td>
<td>-$56.05</td>
</tr>
<tr>
<td>3.00</td>
<td>-$81.43</td>
<td>-$66.43</td>
<td>-$51.43</td>
<td>-$36.43</td>
<td>-$21.43</td>
</tr>
</tbody>
</table>

### Assumptions

1. Grain planted in late September and harvested in July.
2. Interest computed on land preparation and planting costs for 10 months and fertilization/irrigation costs for 6 months.
3. Custom rates on all operations.
4. Only owned machinery are a loader and truck.

Budget prepared by: E. Bruce Godfrey, Cody Bingham and Ron Patterson