Utah State University

Extension Economics

Costs and Returns per acre from growing oats, 2006
Emery County

<table>
<thead>
<tr>
<th>Receipts</th>
<th>Quantity per acre</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>Oats</td>
<td>69.5</td>
<td>bushels</td>
<td>$2.13</td>
<td>$148.27</td>
<td>$148.27</td>
<td></td>
</tr>
<tr>
<td>Straw</td>
<td>0.60</td>
<td>tons</td>
<td>$43.00</td>
<td>$25.80</td>
<td>$25.80</td>
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</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td></td>
<td>$174.07</td>
<td>$174.07</td>
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</tbody>
</table>

Operating costs

Land preparation
- Plowing: 1 acre, $22.78
- Disking: 1 acre, $11.56
- Land plane: 2 acre, $11.50
- Planting: 1 acre, $12.21
- Seed: 70 pounds, $0.17

Fertilization
- Nitrogen (34-0-0): 132 pounds, $0.18
- Phosphate (11-52-0): 48 pounds, $0.18

Pesticides/herbicides
- 2-4-D: 1.25 pints, $2.75
- Custom application: 1 acre, $7.82

Irrigation (wheel line)
- Labor: 0.67 hours, $10.00
- Water assessment: 1 share, $10.00
- Repairs/maintenance: 1 acre, $2.30
- Pumping: 29 acre inch, $0.00

Harvesting
- Combining: 1 acre, $26.00
- Haul grain (custom): 69.5 bushels, $0.06
- Baling: 0.60 tons, $4.79
- Haul/stack straw: 0.60 tons, $3.63
- Crop insurance (75% Yield, 100% Price): 1 acre, $4.50
- Interest on operating capital: 7.61%, $6.50

**Subtotal** $197.85 $206.62

Ownership costs (excludes cost of land)
- Insurance: 1 acre, $2.00
- Machinery ownership costs: 1 acre, $37.92
- Irrigation equipment costs: 1 acre, $8.25

**Total costs** $246.02 $254.79

Net returns to owner for unpaid labor, management, equity and risk
- Above operating costs: -$23.78 $-32.55
- Above total listed costs: -$71.95 $-80.72

**Breakeven Table - Oats**

<table>
<thead>
<tr>
<th>Yield (Bu/Ac)</th>
<th>$1.13</th>
<th>$1.63</th>
<th>$2.13</th>
<th>$2.63</th>
<th>$3.13</th>
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<tbody>
<tr>
<td>54.50</td>
<td>-$110.28</td>
<td>-$83.03</td>
<td>-$55.78</td>
<td>-$28.53</td>
<td>-$1.28</td>
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<tr>
<td>59.50</td>
<td>-$104.61</td>
<td>-$74.86</td>
<td>-$45.11</td>
<td>-$15.36</td>
<td>$14.39</td>
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<tr>
<td>64.50</td>
<td>-$98.95</td>
<td>-$66.70</td>
<td>-$34.45</td>
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<tr>
<td>69.50</td>
<td>-$93.28</td>
<td>-$58.53</td>
<td>-$23.78</td>
<td>$10.97</td>
<td>$45.72</td>
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<tr>
<td>74.50</td>
<td>-$87.61</td>
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<td>-$13.11</td>
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<tr>
<td>79.50</td>
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<td>-$42.20</td>
<td>-$2.45</td>
<td>$37.30</td>
<td>$77.05</td>
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<tr>
<td>84.50</td>
<td>-$76.28</td>
<td>-$34.03</td>
<td>$8.22</td>
<td>$50.47</td>
<td>$92.72</td>
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</table>

Assumptions
1. Grain planted in April - May and harvested in Aug - Sep.
2. Interest computed on land preparation and planting costs for 10 months and fertilization/herbicide/irrigation costs for 3 months.
3. Custom rates for all field operations.
4. Only owned machinery are a loader and truck.

Budget prepared by: E. Bruce Godfrey, Cody Bingham and Dennis Worwood