Costs and Returns per acre from establishing alfalfa in oat hay, 2006
Garfield County - general

<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>Oat hay</td>
<td>2.5</td>
<td>tons</td>
<td>$67.67</td>
<td>$169.17</td>
<td>$169.17</td>
<td>$169.17</td>
</tr>
<tr>
<td>Residue</td>
<td>0.25</td>
<td>AUM</td>
<td>$11.53</td>
<td>$2.88</td>
<td>$2.88</td>
<td>$2.88</td>
</tr>
</tbody>
</table>

Subtotal $172.05 $172.05

Operating costs
- Land preparation
  - Plowing 1 acre $22.78 $22.78 $22.78
  - Roller harrow 2 acre $14.33 $28.66 $28.66
- Planting 1 acre $12.21 $12.21 $12.21
- Seed
  - Oat seed 25 pounds $0.17 $4.25 $4.25
  - Alfalfa seed 15 pounds $2.52 $37.80 $37.80
- Fertilization
  - Nitrogen (34-0-0) 278 pounds $0.18 $49.62 $49.62
  - Phosphate (11-52-0) 96 pounds $0.18 $17.14 $17.14
- Custom application 1 acre $7.82 $7.82 $7.82
- Pesticides/herbicides
  - 2-4-D - pints $2.75 $0.00 $0.00
  - Custom application - acre $7.82 $0.00 $0.00
- Irrigation (wheel line) 4 irrigations
  - Labor 1.33 hours $10.00 $13.33 $13.33
  - Water assessment 1 share $10.00 $10.00 $10.00
  - Repairs/maintenance 1 acre $2.30 $2.30 $2.30
  - Pumping 22 acre inch $0.00 $0.00 $0.00
- Harvesting
  - Swathing 1 acre $15.56 $15.56 $15.56
  - Turning/raking 1 acre $4.69 $4.69 $4.69
  - Baling 2.50 tons $4.79 $11.98 $11.98
  - Hauling/stacking 2.50 tons $3.63 $9.08 $9.08
- Interest on operating capital 7.61% $9.25 $9.25

Subtotal $256.46 $289.98

Ownership costs (excludes cost of land) $77.75 $77.75
- Farm insurance 1 acre $2.00 $2.00 $2.00
- Machinery ownership costs 1 acre $67.50 $67.50 $67.50
- Irrigation equipment costs 1 acre $8.25 $8.25 $8.25

Total costs $334.21 $367.73

Net returns to owner for unpaid labor, management, equity and risk
- Above operating costs $-84.41 $-117.93
- Above total listed costs $-162.16 $-195.68

Breakeven Table - Oat Hay
Net returns per acre above operating costs

<table>
<thead>
<tr>
<th>Yield (Ton/Ac)</th>
<th>Selling Price ($/ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$57.67</td>
</tr>
<tr>
<td>1.00</td>
<td>-$183.28</td>
</tr>
<tr>
<td>1.50</td>
<td>-$158.65</td>
</tr>
<tr>
<td>2.00</td>
<td>-$134.03</td>
</tr>
<tr>
<td>2.50</td>
<td>-$109.41</td>
</tr>
<tr>
<td>3.00</td>
<td>-$84.78</td>
</tr>
<tr>
<td>3.50</td>
<td>-$60.16</td>
</tr>
<tr>
<td>4.00</td>
<td>-$35.54</td>
</tr>
</tbody>
</table>

Assumptions
1. Oats and alfalfa planted in May and harvested in August.
2. Interest computed on land preparation and planting costs for 10 months and fertilization/herbicide/irrigation costs for 4 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 Kevin Heaton