

**Costs and Returns per acre from growing oat hay, 2006
Iron County**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Oat hay	3.4	tons	\$67.67	\$230.07	\$230.07	
Residue	0.25	AUM	\$11.53	\$2.88	\$2.88	
	Subtotal			\$232.95	\$232.85	
Operating costs						
Land preparation						
Plowing	1	acre	\$5.88	\$5.88	\$5.88	
Roller harrow	2	acre	\$3.64	\$7.28	\$7.28	
Land plane	2	acre	\$3.34	\$6.69	\$6.69	
Discing	1	acre	\$3.73	\$3.73	\$3.73	
Planting	1	acre	\$2.96	\$2.96	\$2.96	
Seed	80	pounds	\$0.17	\$13.60	\$13.60	
Fertilization						
Nitrogen (34-0-0)	278	pounds	\$0.18	\$49.62	\$49.62	
Phosphate (11-52-0)	48	pounds	\$0.18	\$8.57	\$8.57	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Pesticides/herbicides						
2-4-D	1.25	pint	\$2.75	\$3.44	\$3.44	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Irrigation (wheel line)						
Labor	0.67	hours	\$10.00	\$6.67	\$6.67	
Water assessment	-	share	\$10.00	\$0.00	\$0.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	27	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Swathing	1	acre	\$4.03	\$4.03	\$4.03	
Turning/raking	1	acre	\$1.39	\$1.39	\$1.39	
Baling	3.40	tons	\$4.79	\$16.29	\$16.29	
Hauling/stacking	3.40	tons	\$3.63	\$12.34	\$12.34	
Interest on operating capital			7.61%	\$4.73	\$4.73	
	Subtotal			\$165.17	\$152.24	
Ownership costs (excludes cost of land)						
Farm insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$73.56	\$73.56	\$73.56	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	Total costs			\$248.98	\$236.04	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$67.78	\$80.71	
Above total listed costs				-\$16.03	-\$3.09	

Breakeven Table - Oat Hay

Net returns per acre above operating costs

Yield (Ton/Ac)	Selling Price (\$/ton)				
	\$57.67	\$62.67	\$67.67	\$72.67	\$77.67
1.90	-\$40.09	-\$30.59	-\$21.09	-\$11.59	-\$2.09
2.40	-\$15.46	-\$3.46	\$8.54	\$20.54	\$32.54
2.90	\$9.16	\$23.66	\$38.16	\$52.66	\$67.16
3.40	\$33.78	\$50.78	\$67.78	\$84.78	\$101.78
3.90	\$58.41	\$77.91	\$97.41	\$116.91	\$136.41
4.40	\$83.03	\$105.03	\$127.03	\$149.03	\$171.03
4.90	\$107.65	\$132.15	\$156.65	\$181.15	\$205.65

Assumptions

- Oats planted in late March and harvested in July.
- Interest computed on land preparation and planting costs for 10 months and fertilization/herbicide/irrigation costs for 4 months.
- Machinery operating costs include: fuel, oil, repairs and labor.
- Machinery ownership costs are allocated based on equipment used for each crop.
- Machinery ownership costs include depreciation, interest, insurance, and housing.

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