

**Costs and Returns per acre from growing oats, 2006
Morgan County**

| Receipts | Quantity per acre | Unit | Price/cost per unit | Value/cost per acre | Base Value | Your Value |
|--|----------------------|-------------|------------------------|------------------------|------------|------------|
| Oats | 92.2 | bushels | \$2.13 | \$196.69 | \$196.69 | |
| Straw | 0.80 | tons | \$43.00 | \$34.40 | \$34.40 | |
| Subtotal | | | | \$231.09 | \$231.09 | |
| Operating costs | | | | | | |
| Land preparation | | | | | | |
| Plowing | 1 | acre | \$5.88 | \$5.88 | \$5.88 | |
| Discing | 1 | acre | \$3.73 | \$3.73 | \$3.73 | |
| Land plane | 1 | acre | \$3.34 | \$3.34 | \$3.34 | |
| Roller harrow | 2 | acre | \$3.64 | \$7.28 | \$7.28 | |
| Planting | 1 | acre | \$2.96 | \$2.96 | \$2.96 | |
| Seed | 70 | pounds | \$0.17 | \$11.90 | \$11.90 | |
| Fertilization | | | | | | |
| Nitrogen (34-0-0) | 205 | pounds | \$0.18 | \$36.59 | \$36.59 | |
| 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) | 2 | irrigations | | | | |
| Labor | 0.67 | hours | \$10.00 | \$6.67 | \$6.67 | |
| Water assessment | 2 | acre feet | \$3.00 | \$6.00 | \$6.00 | |
| Repairs/maintenance | 1 | acre | \$2.30 | \$2.30 | \$2.30 | |
| Pumping | 22 | acre inch | \$0.00 | \$0.00 | \$0.00 | |
| Harvesting | | | | | | |
| Combining | 1 | acre | \$26.00 | \$26.00 | \$26.00 | |
| Haul grain (custom) | 92.2 | bushel | \$0.06 | \$5.53 | \$5.53 | |
| Baling | 0.80 | tons | \$4.79 | \$3.83 | \$3.83 | |
| Haul/stack straw | 0.80 | tons | \$3.63 | \$2.90 | \$2.90 | |
| Interest on operating capital | | | 7.61% | \$3.73 | \$3.73 | |
| Subtotal | | | | \$156.31 | \$168.00 | |
| Ownership costs (excludes cost of land) | | | | \$85.92 | \$85.92 | |
| Insurance | 1 | acre | \$2.00 | \$2.00 | \$2.00 | |
| Machinery ownership costs | 1 | acre | \$75.67 | \$75.67 | \$75.67 | |
| Irrigation equipment costs | 1 | acre | \$8.25 | \$8.25 | \$8.25 | |
| Total costs | | | | \$242.23 | \$253.93 | |
| Net returns to owner for unpaid labor, management, equity and risk | | | | | | |
| Above operating costs | | | | \$74.79 | \$63.09 | |
| Above total listed costs | | | | -\$11.14 | -\$22.83 | |

Breakeven Table - Oats

Net returns per acre above operating costs

| Yield (Bu/Ac) | Selling Price (\$/Bu) | | | | |
|------------------|-----------------------|---------|----------|----------|----------|
| | \$1.13 | \$1.63 | \$2.13 | \$2.63 | \$3.13 |
| 77.20 | -\$33.51 | \$5.09 | \$43.69 | \$82.29 | \$120.89 |
| 82.20 | -\$28.15 | \$12.95 | \$54.05 | \$95.15 | \$136.25 |
| 87.20 | -\$22.78 | \$20.82 | \$64.42 | \$108.02 | \$151.62 |
| 92.20 | -\$17.41 | \$28.69 | \$74.79 | \$120.89 | \$166.99 |
| 97.20 | -\$12.05 | \$36.55 | \$85.15 | \$133.75 | \$182.35 |
| 102.20 | -\$6.68 | \$44.42 | \$95.52 | \$146.62 | \$197.72 |
| 107.20 | -\$1.31 | \$52.29 | \$105.89 | \$159.49 | \$213.09 |

Assumptions

1. Grain planted in March and harvested in July.
2. Interest computed on land preparation and planting costs for 10 months and fertilization/herbicide/irrigation costs for 3 months.
3. Machinery operating costs include: fuel, oil, repairs and labor.
4. Machinery ownership costs are allocated based on equipment used for each crop.
5. Machinery ownership costs include depreciation, interest, insurance, and housing.
6. Custom rates on all harvest operations.