

**Costs and Returns per acre from establishing alfalfa in oats, 2006
 Rich County**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Oats	76.5	bushels	\$2.13	\$163.20	\$163.20	
Straw	0.70	tons	\$43.00	\$30.10	\$30.10	
	Subtotal			\$193.30	\$193.30	
Operating costs						
Land preparation						
Plowing	1	acre	\$22.78	\$22.78	\$22.78	
Danish harrow	2	acre	\$14.33	\$28.66	\$28.66	
Planting	1	acre	\$12.21	\$12.21	\$12.21	
Seed						
Oat seed	70	pounds	\$0.20	\$14.00	\$14.00	
Alfalfa seed	15	pounds	\$2.52	\$37.80	\$37.80	
Fertilization						
Nitrogen (34-0-0)	132	pounds	\$0.18	\$23.56	\$23.56	
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	-	pint	\$2.75	\$0.00	\$0.00	
Puma	-	pint	\$25.00	\$0.00	\$0.00	
Custom application	-	acre	\$7.82	\$0.00	\$0.00	
Irrigation (wheel line)						
Labor	0.67	hours	\$10.00	\$6.67	\$6.67	
Water assessment	1	share	\$10.00	\$10.00	\$10.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	29	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Custom combine	1	acre	\$26.00	\$26.00	\$26.00	
Haul grain (custom)	76.5	bushel	\$0.06	\$4.59	\$4.59	
Baling	0.70	tons	\$4.79	\$3.35	\$3.35	
Haul/stack straw	0.70	tons	\$3.63	\$2.54	\$2.54	
Interest on operating capital			7.61%	\$5.51	\$5.51	
	Subtotal			\$216.36	\$217.21	
Ownership costs (excludes cost of land)						
Farm insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$82.77	\$82.77	\$82.77	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	Total costs			\$309.39	\$310.24	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				-\$23.06	-\$23.91	
Above total listed costs				-\$116.09	-\$116.94	

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
61.50	-\$115.66	-\$84.91	-\$54.16	-\$23.41	\$7.34
66.50	-\$110.30	-\$77.05	-\$43.80	-\$10.55	\$22.70
71.50	-\$104.93	-\$69.18	-\$33.43	\$2.32	\$38.07
76.50	-\$99.56	-\$61.31	-\$23.06	\$15.19	\$53.44
81.50	-\$94.20	-\$53.45	-\$12.70	\$28.05	\$68.80
86.50	-\$88.83	-\$45.58	-\$2.33	\$40.92	\$84.17
91.50	-\$83.46	-\$37.71	\$8.04	\$53.79	\$99.54

Assumptions

1. Grain and alfalfa planted in late April and harvested in early August.
2. Interest computed on land preparation and planting costs for 6 months and fertilization/herbicides/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 land preparation.