### Utah State University
**Extension Economics**

#### Costs and Returns per acre from growing oat hay, 2006

**Tooele 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>Oat hay</td>
<td>2.2</td>
<td>tons</td>
<td>$67.67</td>
<td>$148.87</td>
<td>$148.87</td>
<td>$148.87</td>
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<tr>
<td>Residue</td>
<td>0.25</td>
<td>AUM</td>
<td>$43.00</td>
<td>$10.75</td>
<td>$10.75</td>
<td>$10.75</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td></td>
<td>$159.62</td>
<td>$159.62</td>
<td>$159.62</td>
</tr>
</tbody>
</table>

#### Operating costs

**Land preparation**
- Plowing: 1 acre at $5.88
- Roller harrow: 2 acre at $7.28
- Discing: 1 acre at $3.73
- Planting: 1 acre at $2.96
- Seed: 70 pounds at $0.17

**Fertilization**
- Nitrogen (34-0-0): 249 pounds at $44.45
- Phosphate (11-52-0): 48 pounds at $8.57

**Pesticides/herbicides**
- 2,4-D: 1.25 pints at $3.44
- Custom application: 1 acre at $7.82

**Irrigation (wheel line)**
- Labor: 0.67 hours at $6.67
- Water assessment: 1 share at $15.00

**Harvesting**
- Swathing: 1 acre at $4.03
- Raking/turning: 1 acre at $1.39
- Baling: 2.20 tons at $10.54
- Hauling/stacking: 2.20 tons at $7.99

**Interest on operating capital**
- 7.61% on $4.45 = $0.34

**Subtotal**
- $156.22

**Ownership costs (excludes cost of land)**
- Insurance: 1 acre at $2.00
- Machinery ownership costs: 1 acre at $76.28
- Irrigation equipment costs: 1 acre at $8.25

**Total costs**
- $242.75

Net returns to owner for unpaid labor, management, equity and risk
- Above operating costs: $3.40
- Above total listed costs: $10.58

### Breakeven Table - Oat Hay

<table>
<thead>
<tr>
<th>Selling Price ($/ton)</th>
<th>Yield (Ton/Ac)</th>
<th>$57.67</th>
<th>$62.67</th>
<th>$67.67</th>
<th>$72.67</th>
<th>$77.67</th>
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<tbody>
<tr>
<td>0.70</td>
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<td>-85.47</td>
<td>-81.97</td>
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<tr>
<td>1.20</td>
<td>-67.85</td>
<td>-61.85</td>
<td>-55.85</td>
<td>-49.85</td>
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<tr>
<td>1.70</td>
<td>-43.23</td>
<td>-34.73</td>
<td>-26.23</td>
<td>-17.73</td>
<td>-9.23</td>
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<tr>
<td>2.20</td>
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<td>-7.60</td>
<td>3.40</td>
<td>14.40</td>
<td>25.40</td>
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</tr>
<tr>
<td>2.70</td>
<td>6.02</td>
<td>19.52</td>
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<td>46.52</td>
<td>60.02</td>
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<tr>
<td>3.20</td>
<td>30.64</td>
<td>46.64</td>
<td>62.64</td>
<td>78.64</td>
<td>94.64</td>
<td></td>
</tr>
<tr>
<td>3.70</td>
<td>55.27</td>
<td>73.77</td>
<td>92.27</td>
<td>110.77</td>
<td>129.27</td>
<td></td>
</tr>
</tbody>
</table>

### Assumptions
1. Oat hay planted in late March and harvested in July.
2. Interest computed on land preparation and planting costs for 10 months and fertilization/herbicide/irrigation costs for 4 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.

Budget prepared by: E. Bruce Godfrey, Cody Bingham and Linden Greenhalgh