## Utah State University
### Extension Economics

## Costs and Returns per acre from growing oats, 2006
### Wayne County

<table>
<thead>
<tr>
<th>Receipts</th>
<th>Quantity per acre</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>Oats</td>
<td>100.7 bushels</td>
<td>$2.13</td>
<td>$214.83</td>
<td>$214.83</td>
<td></td>
</tr>
<tr>
<td>Straw</td>
<td>0.80 tons</td>
<td>$43.00</td>
<td>$34.40</td>
<td>$34.40</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td></td>
<td>$249.23</td>
<td>$249.23</td>
<td></td>
</tr>
</tbody>
</table>

### Operating costs

- **Land preparation**
  - Plowing: 1 acre $5.88
  - Discing: 1 acre $3.73
  - Land plane: 2 acre $3.34
  - Roller harrow: 2 acre $3.64
- **Planting**
  - 1 acre $2.96
- **Seed**
  - 70 pounds $0.17
- **Fertilization**
  - Nitrogen (34-0-0): 221 pounds $0.18
  - Phosphate: - pounds $0.18
  - Custom application: 1 acre $7.82
- **Pesticides/herbicides**
  - 2-4-D: 1.25 pint $2.75
  - Custom application: 1 acre $7.82
- **Irrigation (wheel line)**
  - Labor: 0.67 hours $10.00
  - Water assessment: 1 share $10.00
  - Repairs/maintenance: 1 acre $2.30
  - Pumping: 26 acre inch $0.00
- **Harvesting**
  - Combing: 1 acre $26.00
  - Haul grain (custom): 100.7 bushel $0.06
  - Baling: 0.80 tons $4.79
  - Haul/stack straw: 0.80 tons $3.63
  - Interest on operating capital: 7.61% $3.91
|                | **Subtotal**       |                     | $158.63             | $159.12    |            |

### Ownership costs (excludes cost of land)

- Farm insurance: 1 acre $2.00
- Machinery ownership costs: 1 acre $182.77
- Irrigation equipment costs: 1 acre $8.25
|                | **Total costs**    |                     | $351.65       | $352.14    |            |

### Net returns to owner for unpaid labor, management, equity and risk

- Above operating costs $90.60
- Above total listed costs -$102.42

## Breakeven Table - Oats

### Net returns per acre above operating costs

<table>
<thead>
<tr>
<th>Yield (Bu/Ac)</th>
<th>Selling Price ($/Bu)</th>
<th>$1.13</th>
<th>$1.63</th>
<th>$2.13</th>
<th>$2.63</th>
<th>$3.13</th>
</tr>
</thead>
<tbody>
<tr>
<td>85.70</td>
<td>-$26.20</td>
<td>$16.65</td>
<td>$59.50</td>
<td>$102.35</td>
<td>$145.20</td>
<td></td>
</tr>
<tr>
<td>90.70</td>
<td>-$20.83</td>
<td>$24.52</td>
<td>$69.87</td>
<td>$115.22</td>
<td>$160.57</td>
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</tr>
<tr>
<td>95.70</td>
<td>-$15.47</td>
<td>$32.38</td>
<td>$80.23</td>
<td>$128.08</td>
<td>$175.93</td>
<td></td>
</tr>
<tr>
<td>100.70</td>
<td>-$10.10</td>
<td>$40.25</td>
<td>$90.60</td>
<td>$140.95</td>
<td>$191.30</td>
<td></td>
</tr>
<tr>
<td>105.70</td>
<td>-$4.73</td>
<td>$48.12</td>
<td>$100.97</td>
<td>$153.82</td>
<td>$206.67</td>
<td></td>
</tr>
<tr>
<td>110.70</td>
<td>$0.63</td>
<td>$55.98</td>
<td>$111.33</td>
<td>$166.68</td>
<td>$222.03</td>
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</tr>
<tr>
<td>115.70</td>
<td>$6.00</td>
<td>$63.85</td>
<td>$121.70</td>
<td>$179.55</td>
<td>$237.40</td>
<td></td>
</tr>
</tbody>
</table>

### 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 and 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.

Budget prepared by: E. Bruce Godfrey, Cody Bingham and Verl Bagley