

**Costs and Returns per acre from establishing alfalfa in oat hay, 2006  
Piute County**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
<b>Receipts</b>						
Oat hay	2.0	tons	\$67.67	\$135.33	\$135.33	
Residue	0.25	AUM	\$11.53	\$2.88	\$2.88	
	<b>Subtotal</b>			\$138.22	\$138.22	
<b>Operating costs</b>						
Land preparation						
Plowing	1	acre	\$5.88	\$5.88	\$5.88	
Roller harrow	2	acre	\$3.64	\$7.28	\$7.28	
Planting	1	acre	\$2.96	\$2.96	\$2.96	
Seed						
Alfalfa seed	16	pounds	\$2.52	\$40.32	\$40.32	
Fertilization						
Nitrogen (34-0-0)	147	pounds	\$0.18	\$26.24	\$26.24	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Irrigation (wheel line)						
Labor	1.33	hours	\$10.00	\$13.33	\$13.33	
Water assessment	1	share	\$10.00	\$10.00	\$10.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	25	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Swathing	1	acre	\$15.56	\$15.56	\$15.56	
Raking/turning	1	acre	\$4.69	\$4.69	\$4.69	
Baling	2.00	tons	\$4.79	\$9.58	\$9.58	
Hauling/stacking	2.00	tons	\$3.63	\$7.26	\$7.26	
Interest on operating capital			7.61%	\$5.09	\$5.09	
	<b>Subtotal</b>			\$158.32	\$185.14	
Ownership costs (excludes cost of land)						
Insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$100.17	\$100.17	\$100.17	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	<b>Total costs</b>			\$268.74	\$295.56	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				-\$20.11	-\$46.92	
Above total listed costs				-\$130.52	-\$157.34	

**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
0.50	-\$113.98	-\$111.48	-\$108.98	-\$106.48	-\$103.98
1.00	-\$89.35	-\$84.35	-\$79.35	-\$74.35	-\$69.35
1.50	-\$64.73	-\$57.23	-\$49.73	-\$42.23	-\$34.73
2.00	-\$40.11	-\$30.11	-\$20.11	-\$10.11	-\$0.11
2.50	-\$15.48	-\$2.98	\$9.52	\$22.02	\$34.52
3.00	\$9.14	\$24.14	\$39.14	\$54.14	\$69.14
3.50	\$33.76	\$51.26	\$68.76	\$86.26	\$103.76

Assumptions

- Oats and alfalfa planted in May and harvested in August.
- 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.
- Custom rates on all harvest operations.

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