

**Costs and Returns per acre from establishing alfalfa with oat hay, 2006
 Wasatch County**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Oat hay	2.3	tons	\$67.67	\$155.63	\$155.63	
Residue	-	AUM	\$0.00	\$0.00	\$0.00	
Subtotal				\$155.63	\$155.63	
Operating costs						
Land preparation						
Plowing	1	acre	\$22.78	\$22.78	\$22.78	
Discing w/ harrow	1	acre	\$11.56	\$11.56	\$11.56	
Land plane	1	acre	\$11.50	\$11.50	\$11.50	
Planting	1	acre	\$12.21	\$12.21	\$12.21	
Seed						
Oat seed	100	pounds	\$0.17	\$17.00	\$17.00	
Alfalfa seed	16	pounds	\$2.52	\$40.32	\$40.32	
Fertilization						
Nitrogen	-	pounds	\$0.18	\$0.00	\$0.00	
Phosphate	-	pounds	\$0.18	\$0.00	\$0.00	
Custom application	-	acre	\$7.82	\$0.00	\$0.00	
Pesticides/herbicides						
2-4-D	-	pint	\$2.75	\$0.00	\$0.00	
Custom application	-	acre	\$7.82	\$0.00	\$0.00	
Irrigation (flood)						
Labor	0.67	hours	\$10.00	\$6.67	\$6.67	
Water assessment	1	share	\$15.00	\$15.00	\$15.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	36	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Swathing	1	acre	\$15.56	\$15.56	\$15.56	
Turning/raking	1	acre	\$4.69	\$4.69	\$4.69	
Baling	2.30	tons	\$4.79	\$11.02	\$11.02	
Hauling/stacking	2.30	tons	\$3.63	\$8.35	\$8.35	
Interest on operating capital			7.61%	\$7.92	\$7.92	
Subtotal				\$186.88	\$217.72	
Ownership costs (excludes cost of land)						
Insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$31.71	\$31.71	\$31.71	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
Total costs				\$228.84	\$259.68	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				-\$31.24	-\$62.09	
Above total listed costs				-\$73.20	-\$104.05	

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
0.80	-\$128.11	-\$124.11	-\$120.11	-\$116.11	-\$112.11
1.30	-\$103.49	-\$96.99	-\$90.49	-\$83.99	-\$77.49
1.80	-\$78.87	-\$69.87	-\$60.87	-\$51.87	-\$42.87
2.30	-\$54.24	-\$42.74	-\$31.24	-\$19.74	-\$8.24
2.80	-\$29.62	-\$15.62	-\$1.62	\$12.38	\$26.38
3.30	-\$5.00	\$11.50	\$28.00	\$44.50	\$61.00
3.80	\$19.63	\$38.63	\$57.63	\$76.63	\$95.63

Assumptions

- Oats and alfalfa planted in late April and harvested in September.
- Interest computed on land preparation and planting costs for 10 months and fertilization/herbicide/irrigation costs for 4 months.
- Custom rates for all field operations.
- Only owned machinery are a loader and truck.