

**2006 Estimated Production Costs and Returns - Irrigated Corn in Southeastern Colorado.**

	Unit	Price or Cost/Unit	Quantity	Value or Cost Per Acre	Value or Cost/Unit Production	Your Farm
<b>GROSS RECEIPTS FROM PRODUCTION:</b>						
CORN	BU	3.25	181.50	589.88		
<b>TOTAL RECEIPTS</b>				<b>589.88</b>	<b>3.25</b>	
<b>DIRECT COSTS</b>						
<b>Operating Preharvest</b>						
NITROGEN	LBS	0.26	150	38.87	0.21	
PHOSPHATE	LBS	0.37	50	18.53	0.10	
INSECTICIDE	DOLS	11.50	1.00	11.50	0.06	
SEED	DOLS	43.64	1.00	43.64	0.24	
HERBICIDE	DOLS	21.05	1.00	21.05	0.12	
IRRIGATION WATER	ACRE	1.00	22.00	22.00	0.12	
IRRIGATION LABOR	HR.	10.00	5.00	50.00	0.28	
CROP INSURANCE	DOLS	18.73	1.00	18.73	0.10	
CUSTOM AERIAL SPRAY	DOLS	5.00	1.00	5.00	0.03	
FUEL	DOLS			14.07	0.08	
REPAIR & MAINTENANCE	DOLS			9.22	0.05	
LABOR	DOLS			7.22	0.04	
INTEREST EXPENSE <sup>2</sup>	DOLS			6.68	0.04	
<b>Total Preharvest</b>	DOLS			<b>266.51</b>	<b>1.47</b>	
<b>Operating Harvest</b>						
FUEL	DOLS			2.53	0.01	
REPAIR & MAINTENANCE	DOLS			1.09	0.01	
LABOR	DOLS			0.85	0.00	
HAULING <sup>1</sup>	DOLS			25.41	0.14	
<b>Total Harvest</b>				<b>29.88</b>	<b>0.16</b>	
<b>Total Operating Costs</b>				<b>296.39</b>	<b>1.63</b>	
<b>Property and Ownership Costs</b>						
MACHINERY OWNERSHIP COSTS	DOLS			41.29	0.23	
GENERAL FARM OVERHEAD	DOLS			15.00	0.08	
REAL ESTATE TAXES	DOLS			18.00	0.10	
<b>Total Property and Ownership Costs</b>	DOLS			<b>74.29</b>	<b>0.41</b>	
<b>TOTAL DIRECT COSTS</b>				<b>370.68</b>	<b>2.04</b>	
<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>219.20</b>	<b>1.21</b>	
<b>FACTOR PAYMENTS</b>						
LAND @ 4.00%	DOLS			56.00	0.31	
<b>RETURN TO MANAGEMENT AND RISK</b>	DOLS			<b>163.20</b>	<b>0.90</b>	

1 Hauling Machinery & Labor Charges = \$0.14/Bushel

2 Interest on Operating Capital is calculated on 1/2 of pre-harvest operating costs at 7%

**BREAKEVEN ANALYSIS - PER ACRE RETURNS OVER TOTAL DIRECT COSTS (\$/ACRE)**

		<b>ALTERNATIVE PRICES</b>					
		<b>\$/BU</b>					
		<b>-25%</b>	<b>-10%</b>	<b>3.25</b>	<b>+10%</b>	<b>+25%</b>	
		<b>\$ 2.44</b>	<b>\$ 2.93</b>	<b>\$ 3.25</b>	<b>\$ 3.58</b>	<b>\$ 4.06</b>	
ALTERNATIVE YIELDS	-25%	136.1	\$ (38.87)	\$ 27.49	\$ 71.73	\$ 115.97	\$ 182.33
	-10%	163.4	\$ 27.49	\$ 107.12	\$ 160.21	\$ 213.30	\$ 292.93
BUSHEL		181.5	\$ 71.73	\$ 160.21	\$ 219.20	\$ 278.18	\$ 366.67
	+10%	199.7	\$ 115.97	\$ 213.30	\$ 278.18	\$ 343.07	\$ 440.40
	+25%	226.9	\$ 182.33	\$ 292.93	\$ 366.67	\$ 440.40	\$ 551.00