

2009 Estimated Production Costs and Returns - Dryland Winter Wheat in Western Colorado
 Conventional-Tillage, Wheat - Fallow Rotation

	Unit	Price or Cost/Unit	Quantity	Value or Cost Per Acre	Value or Cost/Unit Production	Your Farm
GROSS RECEIPTS FROM PRODUCTION						
HARD RED WINTER WHEAT	BU	4.50	20.00	90.00		
TOTAL RECEIPTS				90.00	4.50	
DIRECT COSTS						
Operating Preharvest						
SEED	DOLS	7.70	1.00	7.70	0.39	
FERTILIZER	DOLS	15.90	1.00	15.90	0.80	
HERBICIDE	DOLS	10.50	1.00	10.50	0.53	
CUSTOM APPLICATION	DOLS	8.00	1.00	8.00	0.40	
FUEL	DOLS			6.77	0.34	
REPAIR & MAINTENANCE	DOLS			1.84	0.09	
LABOR	DOLS			3.24	0.16	
INTEREST EXPENSE ¹	DOLS			1.89	0.09	
Total Preharvest	DOLS			55.84	2.79	
Operating Harvest						
FUEL	DOLS			3.43	0.17	
REPAIR & MAINTENANCE	DOLS			1.42	0.07	
LABOR	DOLS			0.85	0.04	
HAULING ²	DOLS			2.80	0.14	
Total Harvest				8.50	0.43	
Total Operating Costs				64.34	3.22	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			19.39	0.97	
GENERAL FARM OVERHEAD	DOLS			20.00	1.00	
Total Property and Ownership Costs	DOLS			39.39	1.97	
TOTAL DIRECT COSTS:				103.73	5.19	
NET RECEIPTS BEFORE FACTOR PAYMENTS				-13.73	-0.69	
FACTOR PAYMENTS						
LAND @ 4.00% ³	DOLS			9.00	0.45	
RETURN TO MANAGEMENT AND RISK	DOLS			-22.73	-1.14	

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

² Hauling Machinery & Labor Charges = \$0.14/Bushel

³ Includes allocation of fallow acres in the rotation

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

		ALTERNATIVE PRICES					
		\$/BU					
		-25%	-10%		+10%	+25%	
		\$ 3.38	\$ 4.05	\$ 4.50	\$ 4.95	\$ 5.63	
ALTERNATIVE YIELDS	-25%	15.0	\$ (53.10)	\$ (42.98)	\$ (36.23)	\$ (29.48)	\$ (19.35)
	-10%	18.0	\$ (42.98)	\$ (30.83)	\$ (22.73)	\$ (14.63)	\$ (2.48)
BUSHEL		20.0	\$ (36.23)	\$ (22.73)	\$ (13.73)	\$ (4.73)	\$ 8.77
	+10%	22.0	\$ (29.48)	\$ (14.63)	\$ (4.73)	\$ 5.17	\$ 20.02
	+25%	25.0	\$ (19.35)	\$ (2.48)	\$ 8.77	\$ 20.02	\$ 36.90