

Table 27. 2006 Estimated Production Costs and Returns - Irrigated Winter Wheat in Northeastern 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>						
HARD RED WINTER WHEAT	BU	4.60	50.12	230.55		
<b>TOTAL RECEIPTS</b>				<b>230.55</b>	<b>4.60</b>	
<b>DIRECT COSTS:</b>						
<b>Operating Preharvest</b>						
SEED	DOLS	15.00	1.00	15.00	0.30	
FERTILIZER	DOLS	43.44	1.00	43.44	0.87	
IRRIGATION ENERGY	DOLS	38.95	1.00	38.95	0.78	
IRRIGATION REPAIR	DOLS	10.00	1.00	10.00	0.20	
CROP INSURANCE	DOLS	9.00	1.00	9.00	0.18	
SPRINKLER LEASE	DOLS	60.00	1.00	60.00	1.20	
FUEL	DOLS			6.54	0.13	
REPAIR & MAINTENANCE	DOLS			4.37	0.09	
LABOR	DOLS			1.80	0.04	
INTEREST EXPENSE <sup>2</sup>	DOLS			6.62	0.13	
<b>Total Preharvest</b>	DOLS			<b>195.72</b>	<b>3.91</b>	
<b>Operating Harvest</b>						
FUEL	DOLS			4.83	0.10	
REPAIR & MAINTENANCE	DOLS			2.89	0.06	
LABOR	DOLS			1.49	0.03	
HAULING <sup>1</sup>	DOLS			7.02	0.14	
<b>Total Harvest</b>				<b>16.23</b>	<b>0.32</b>	
<b>Total Operating Costs</b>				<b>211.95</b>	<b>4.23</b>	
<b>Property and Ownership Costs</b>						
MACHINERY OWNERSHIP COSTS	DOLS			29.70	0.59	
GENERAL FARM OVERHEAD	DOLS			10.00	0.20	
REAL ESTATE TAXES	DOLS			11.64	0.23	
<b>Total Property and Ownership Costs</b>	DOLS			<b>51.34</b>	<b>1.02</b>	
<b>TOTAL DIRECT COSTS:</b>				<b>263.29</b>	<b>5.25</b>	
<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>-32.74</b>	<b>-0.65</b>	
<b>FACTOR PAYMENTS</b>						
LAND @ 4.00%	DOLS			52.00	1.04	
<b>RETURN TO MANAGEMENT AND RISK</b>	DOLS			<b>-84.74</b>	<b>-1.69</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%

3 Capital and Labor Payments are included in Machinery Operating and Ownership Costs.

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

		ALTERNATIVE PRICES					
		\$/BU					
		-25%	-10%		+10%	+25%	
		\$ 3.45	\$ 4.14	\$ 4.60	\$ 5.06	\$ 5.75	
<b>ALTERNATIVE YIELDS</b>	-25%	37.6	\$ (133.60)	\$ (107.67)	\$ (90.38)	\$ (73.08)	\$ (47.15)
	-10%	45.1	\$ (107.67)	\$ (76.54)	\$ (55.79)	\$ (35.04)	\$ (3.92)
	BUSHELS	50.1	\$ (90.38)	\$ (55.79)	\$ (32.74)	\$ (9.68)	\$ 24.90
	+10%	55.1	\$ (73.08)	\$ (35.04)	\$ (9.68)	\$ 15.68	\$ 53.72
	+25%	62.7	\$ (47.15)	\$ (3.92)	\$ 24.90	\$ 53.72	\$ 96.95