

Table 18. 2010 Estimated Production Costs and Returns - Dryland Oil Sunflowers in Northeastern Colorado. Reduced-Till in a Two-Crop in Three-Year Rotation.

| | Unit | Price or Cost/Unit | Quantity | Value or Cost Per Acre | Value or Cost/Unit Production | Your Farm |
|--|------|--------------------|----------|------------------------|-------------------------------|-----------|
| GROSS RECEIPTS FROM PRODUCTION | | | | | | |
| SUNFLOWERS | CWT | 18.60 | 12.15 | 225.99 | | |
| TOTAL RECEIPTS | | | | 225.99 | 18.60 | |
| DIRECT COSTS | | | | | | |
| Operating Preharvest | | | | | | |
| SEED | DOLS | 20.83 | 1.00 | 20.83 | 1.71 | |
| FERTILIZER | DOLS | 23.67 | 1.00 | 23.67 | 1.95 | |
| HERBICIDE | DOLS | 41.45 | 1.00 | 41.45 | 3.41 | |
| CUSTOM APPLICATION | DOLS | 6.00 | 2.00 | 12.00 | 0.99 | |
| INSECTICIDE | DOLS | 9.69 | 1.00 | 9.69 | 0.80 | |
| CROP INSURANCE | DOLS | 13.20 | 1.00 | 13.20 | 1.09 | |
| CUSTOM AERIAL APPLICATION | DOLS | 8.00 | 1.00 | 8.00 | 0.66 | |
| FUEL | DOLS | | | 2.57 | 0.21 | |
| REPAIR & MAINTENANCE | DOLS | | | 1.92 | 0.16 | |
| LABOR | DOLS | | | 1.13 | 0.09 | |
| INTEREST EXPENSE ² | DOLS | | | 4.71 | 0.39 | |
| Total Preharvest | | | | 139.17 | 11.45 | |
| Operating Harvest | | | | | | |
| FUEL | DOLS | | | 6.26 | 0.52 | |
| REPAIR & MAINTENANCE | DOLS | | | 4.70 | 0.39 | |
| LABOR | DOLS | | | 1.49 | 0.12 | |
| HAULING ¹ | DOLS | | | 3.04 | 0.25 | |
| Total Harvest | | | | 15.49 | 1.27 | |
| Total Operating Costs | | | | 154.65 | 12.73 | |
| Property and Ownership Costs | | | | | | |
| MACHINERY OWNERSHIP COSTS | DOLS | | | 20.89 | 1.72 | |
| GENERAL FARM OVERHEAD | DOLS | | | 10.00 | 0.82 | |
| REAL ESTATE TAXES | DOLS | | | 2.32 | 0.19 | |
| Total Property and Ownership Costs | DOLS | | | 33.21 | 2.73 | |
| TOTAL DIRECT COSTS | | | | 187.86 | 15.46 | |
| NET RECEIPTS BEFORE FACTOR PAYMENTS | | | | 38.13 | 3.14 | |
| FACTOR PAYMENTS | | | | | | |
| LAND @ 4.00% ³ | DOLS | | | 32.00 | 2.63 | |
| RETURN TO MANAGEMENT AND RISK | DOLS | | | 6.13 | 0.50 | |

1 Hauling Machinery & Labor Charges = \$0.25/Cwt

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

3 Includes allocation of fallow acres in the rotation

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

| | | | | ALTERNATIVE PRICES | | | | |
|--------------------|------|------|------------|---------------------------|-------------|--------------|-------------|-------------|
| | | | | \$/CWT | | | | |
| | | | | -25% | -10% | 18.60 | +10% | +25% |
| | | | | \$ 13.95 | \$ 16.74 | \$ 18.60 | \$ 20.46 | \$ 23.25 |
| ALTERNATIVE YIELDS | -25% | 9.1 | \$ (60.74) | \$ (35.32) | \$ (18.37) | \$ (1.42) | \$ 24.00 | |
| | -10% | 10.9 | \$ (35.32) | \$ (4.81) | \$ 15.53 | \$ 35.87 | \$ 66.38 | |
| | CWT | 12.2 | \$ (18.37) | \$ 15.53 | \$ 38.13 | \$ 60.73 | \$ 94.62 | |
| | +10% | 13.4 | \$ (1.42) | \$ 35.87 | \$ 60.73 | \$ 85.58 | \$ 122.87 | |
| | +25% | 15.2 | \$ 24.00 | \$ 66.38 | \$ 94.62 | \$ 122.87 | \$ 165.25 | |