

**Estimating 2009 Costs of Production**  
**Soybean, Early Season, Furrow Irrigation, LibertyLink**

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| ITEM                     | UNIT   | PRICE   | QUANTITY | AMOUNT  | YOUR FARM |
|--------------------------|--------|---------|----------|---------|-----------|
|                          |        | dollars |          | dollars |           |
| DIRECT EXPENSES          |        |         |          |         |           |
| FERTILIZERS              |        |         |          |         |           |
| 0-18-36                  | lb     | 0.52    | 200.0000 | 104.80  | _____     |
| HERBICIDES               |        |         |          |         |           |
| Prefix                   | pt     | 6.19    | 2.0000   | 12.38   | _____     |
| Ignite 280               | pt     | 6.57    | 2.7500   | 18.07   | _____     |
| INSECTICIDES             |        |         |          |         |           |
| Orthene 90S              | lb     | 8.50    | 1.0000   | 8.50    | _____     |
| IRRIGATION SUPPLIES      |        |         |          |         |           |
| Irrppip+lay+pickup       | acre   | 13.50   | 1.0000   | 13.50   | _____     |
| CROP SEED                |        |         |          |         |           |
| Soybean LL               | lbseed | 1.04    | 60.0000  | 62.40   | _____     |
| CUSTOM HIRE              |        |         |          |         |           |
| Cstm Ap Air Fert         | acre   | 7.50    | 1.0000   | 7.50    | _____     |
| Cstm Ap Grd. Herb        | acre   | 6.00    | 2.0000   | 12.00   | _____     |
| Cstm Ap Air Insect       | acre   | 7.50    | 1.0000   | 7.50    | _____     |
| Haul Soybeans            | bu     | 0.22    | 45.0000  | 9.90    | _____     |
| OPERATOR LABOR           |        |         |          |         |           |
| Tractors                 | hour   | 10.91   | 0.4001   | 4.37    | _____     |
| Harvesters               | hour   | 10.91   | 0.1021   | 1.11    | _____     |
| IRRIGATION LABOR         |        |         |          |         |           |
| Furrow Irr.              | hour   | 8.60    | 0.3017   | 2.60    | _____     |
| HAND LABOR               |        |         |          |         |           |
| Implements               | hour   | 8.60    | 0.1190   | 1.02    | _____     |
| DIESEL FUEL              |        |         |          |         |           |
| Tractors                 | gal    | 2.60    | 4.4523   | 11.57   | _____     |
| Harvesters               | gal    | 2.60    | 1.4457   | 3.76    | _____     |
| Furrow Irr.              | gal    | 2.60    | 12.0000  | 31.20   | _____     |
| REPAIR & MAINTENANCE     |        |         |          |         |           |
| Implements               | acre   | 4.50    | 1.0000   | 4.50    | _____     |
| Tractors                 | acre   | 1.73    | 1.0000   | 1.73    | _____     |
| Harvesters               | acre   | 2.07    | 1.0000   | 2.07    | _____     |
| Furrow Irr.              | ac-in  | 0.18    | 12.0000  | 2.24    | _____     |
| INTEREST ON OP. CAP.     | acre   | 12.04   | 1.0000   | 12.04   | _____     |
| TOTAL DIRECT EXPENSES    |        |         |          | 334.75  | _____     |
| FIXED EXPENSES           |        |         |          |         |           |
| Implements               | acre   | 13.74   | 1.0000   | 13.74   | _____     |
| Tractors                 | acre   | 13.50   | 1.0000   | 13.50   | _____     |
| Harvesters               | acre   | 9.92    | 1.0000   | 9.92    | _____     |
| Furrow Irr.              | each   | 3251.23 | 0.0083   | 27.09   | _____     |
| TOTAL FIXED EXPENSES     |        |         |          | 64.25   | _____     |
| TOTAL SPECIFIED EXPENSES |        |         |          | 399.00  | _____     |

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**Table 2. Estimated resource use and costs for field operations, per acre, Early Season, Soybeans, Furrow Irrigation, LibertyLink, 2009**

| OPERATION/<br>OPERATING INPUT | SIZE/<br>UNIT | POWER UNIT<br>SIZE | PERF<br>RATE | TIMES<br>OVER | MTH | POWER UNIT COST   |       | EQUIPMENT COST |       | ALLOC LABOR |      | OPERATING/DURABLE INPUT |       |        | TOTAL<br>COST |
|-------------------------------|---------------|--------------------|--------------|---------------|-----|-------------------|-------|----------------|-------|-------------|------|-------------------------|-------|--------|---------------|
|                               |               |                    |              |               |     | DIRECT            | FIXED | DIRECT         | FIXED | HOURS       | COST | AMOUNT                  | PRICE | COST   |               |
|                               |               |                    |              |               |     | -----dollars----- |       |                |       | dollars     |      | -----dollars-----       |       |        |               |
| Disk Harrow                   | 28'           | MFWD 225           | 0.070        | 1.00          | Apr | 2.43              | 2.49  | 0.65           | 1.72  | 0.07        | 0.77 |                         |       |        | 8.06          |
| Field Cultivate Fld           | 32'           | MFWD 225           | 0.046        | 1.00          | Apr | 1.61              | 1.65  | 0.32           | 1.71  | 0.04        | 0.51 |                         |       |        | 5.80          |
| Cstm Ap Air Fert              | acre          |                    |              | 1.00          | Apr |                   |       |                |       |             |      | 1.0000                  | 7.50  | 7.50   | 7.50          |
| 0-18-36                       | lb            |                    |              |               |     |                   |       |                |       |             |      | 200.0000                | 0.52  | 104.80 | 104.80        |
| Plant - Rigid                 | 12R-20        | MFWD 190           | 0.094        | 1.00          | Apr | 2.75              | 2.70  | 1.45           | 3.49  | 0.18        | 1.84 |                         |       |        | 12.23         |
| Soybean LL                    | lbseed        |                    |              |               |     |                   |       |                |       |             |      | 60.0000                 | 1.04  | 62.40  | 62.40         |
| Ditcher                       |               | MFWD 105           | 0.020        | 0.10          | Apr | 0.03              | 0.02  |                | 0.01  | 0.00        | 0.02 |                         |       |        | 0.08          |
| Cstm Ap Grd. Herb             | acre          |                    |              | 1.00          | Apr |                   |       |                |       |             |      | 1.0000                  | 6.00  | 6.00   | 6.00          |
| Prefix                        | pt            |                    |              |               |     |                   |       |                |       |             |      | 2.0000                  | 6.19  | 12.38  | 12.38         |
| Cultivate                     | 12R-30        | MFWD 225           | 0.068        | 1.00          | May | 2.38              | 2.44  | 0.52           | 1.72  | 0.06        | 0.75 |                         |       |        | 7.81          |
| Field Cult & Inc Fld          | 32'           | MFWD 225           | 0.049        | 1.00          | May | 1.72              | 1.76  | 0.41           | 2.18  | 0.07        | 0.75 |                         |       |        | 6.82          |
| Ignite 280                    | pt            |                    |              |               |     |                   |       |                |       |             |      | 1.3750                  | 6.57  | 9.03   | 9.03          |
| Cultivate                     | 12R-30        | MFWD 225           | 0.068        | 1.00          | May | 2.38              | 2.44  | 0.52           | 1.72  | 0.06        | 0.75 |                         |       |        | 7.81          |
| Cstm Ap Grd. Herb             | acre          |                    |              | 1.00          | Jun |                   |       |                |       |             |      | 1.0000                  | 6.00  | 6.00   | 6.00          |
| Ignite 280                    | pt            |                    |              |               |     |                   |       |                |       |             |      | 1.3750                  | 6.57  | 9.03   | 9.03          |
| Irrppip+lay+pickup            | acre          |                    |              | 1.00          | Jun |                   |       |                |       |             |      | 1.0000                  | 13.50 | 13.50  | 13.50         |
| Cstm Ap Air Insect            | acre          |                    |              | 1.00          | Jul |                   |       |                |       |             |      | 1.0000                  | 7.50  | 7.50   | 7.50          |
| Orthene 90S                   | lb            |                    |              |               |     |                   |       |                |       |             |      | 1.0000                  | 8.50  | 8.50   | 8.50          |
| Header - Soybean              | 25' Flex      | 275hp              | 0.102        | 1.00          | Aug | 5.83              | 9.92  | 0.63           | 1.19  | 0.10        | 1.11 |                         |       |        | 18.68         |
| Haul Soybeans                 | bu            |                    |              | 1.00          | Aug |                   |       |                |       |             |      | 45.0000                 | 0.22  | 9.90   | 9.90          |
| Furrow Irr.                   | each          |                    |              | 1.00          | Jun |                   |       |                |       |             |      |                         |       |        | 27.09         |
| Application 1                 | ac-in         |                    |              | 1.00          | Jun |                   |       |                |       |             |      |                         |       |        | 9.01          |
| Application 2                 | ac-in         |                    |              | 1.00          | Jun |                   |       |                |       |             |      |                         |       |        | 9.01          |
| Application 3                 | ac-in         |                    |              | 1.00          | Jul |                   |       |                |       |             |      |                         |       |        | 9.01          |
| Application 4                 | ac-in         |                    |              | 1.00          | Jul |                   |       |                |       |             |      |                         |       |        | 9.01          |
| TOTALS                        |               |                    |              |               |     | 19.13             | 23.42 | 37.94          | 40.83 | 0.92        | 9.10 |                         |       | 256.54 | 386.96        |
| INTEREST ON OPERATING CAPITAL |               |                    |              |               |     |                   |       |                |       |             |      |                         |       |        | 12.04         |
| UNALLOCATED LABOR             |               |                    |              |               |     |                   |       |                |       |             |      |                         |       |        | 0.00          |
| TOTAL SPECIFIED COST          |               |                    |              |               |     |                   |       |                |       |             |      |                         |       |        | 399.00        |

Information presented in this document is prepared solely as a general guide and is not intended to recognize or predict the costs and returns from any one particular farm operation. The mention of any commercial product in this analysis does not imply its endorsement by the University of Arkansas Cooperative Extension Service over other products not named, nor does the omission imply that they are not satisfactory. This budget does not include costs for land, overhead, or management.

**Table 3. Breakeven Yields (BEY) Required to Cover Direct Expenses Less Hauling and Producer Net Returns above Direct Expenses Less Hauling for Price/Yield Combinations and Select Land Tenure Arrangements, per acre.**

**Soybean, Early Season, Furrow Irrigation, LibertyLink, 2009**

**Farm Owner**

| BEY<br>(bu/acre) | Crop Price (\$/bu)                         |      |      |      |      |       |       |
|------------------|--|------|------|------|------|-------|-------|
|                  | 5.95                                       | 6.80 | 7.65 | 8.50 | 9.35 | 10.20 | 11.05 |
|                  | Net Returns above Variable Costs (\$/acre) |      |      |      |      |       |       |
| 30               | -153                                       | -127 | -102 | -76  | -51  | -25   | 0     |
| 33               | -138                                       | -111 | -83  | -55  | -28  | 0     | 28    |
| 36               | -121                                       | -91  | -60  | -30  | 0    | 30    | 60    |
| 39               | -100                                       | -67  | -33  | 0    | 33   | 67    | 100   |
| 44               | -74  | -37  | 0    | 37   | 74   | 111   | 149   |
| 49               | -42  | 0    | 42   | 84   | 126  | 168   | 210   |
| 57               | 0  | 48   | 96   | 145  | 193  | 241   | 289   |

Farm Owner is assumed to have 100% Equity in Land

**Tenant 75-25 Cost-Share**

| BEY<br>(bu/acre) | Crop Price (\$/bu)                         |      |      |      |      |       |       |
|------------------|--|------|------|------|------|-------|-------|
|                  | 5.95                                       | 6.80 | 7.65 | 8.50 | 9.35 | 10.20 | 11.05 |
|                  | Net Returns above Variable Costs (\$/acre) |      |      |      |      |       |       |
| 40               | -154                                       | -128 | -103 | -77  | -51  | -26   | 0     |
| 44               | -139                                       | -111 | -84  | -56  | -28  | 0     | 28    |
| 48               | -122                                       | -91  | -61  | -30  | 0    | 30    | 61    |
| 53               | -101                                       | -67  | -34  | 0    | 34   | 67    | 101   |
| 59               | -75  | -38  | 0    | 38   | 75   | 113   | 150   |
| 67               | -42  | 0    | 42   | 85   | 127  | 170   | 212   |
| 77               | 0  | 49   | 98   | 146  | 195  | 244   | 293   |

Landowner Receives 25% of the Crop.

Tenant pays 100% of Hauling Crop to Grain Elevator

Landowner Pays 100% of Fixed Irrigation Expenses.

**Tenant 90-10 Cost-Share**

| BEY<br>(bu/acre) | Crop Price (\$/bu)                         |      |      |      |      |       |       |
|------------------|--|------|------|------|------|-------|-------|
|                  | 5.95                                       | 6.80 | 7.65 | 8.50 | 9.35 | 10.20 | 11.05 |
|                  | Net Returns above Variable Costs (\$/acre) |      |      |      |      |       |       |
| 33               | -153                                       | -128 | -102 | -77  | -51  | -26   | 0     |
| 36               | -139                                       | -111 | -83  | -55  | -28  | 0     | 28    |
| 40               | -121                                       | -91  | -61  | -30  | 0    | 30    | 61    |
| 44               | -100                                       | -67  | -33  | 0    | 33   | 67    | 100   |
| 49               | -75  | -37  | 0    | 37   | 75   | 112   | 149   |
| 55               | -42  | 0    | 42   | 84   | 126  | 168   | 211   |
| 63               | 0  | 48   | 97   | 145  | 194  | 242   | 290   |

Landowner Receives 10% of the Crop

Tenant Pays 100% of Hauling Crop to Grain Elevator.

Landowner Pays 100% of Fixed Irrigation Expenses.

**Tenant 80-20 Crop-Share**

| BEY<br>(bu/acre) | Crop Price (\$/bu)                         |      |      |      |      |       |       |
|------------------|--|------|------|------|------|-------|-------|
|                  | 5.95                                       | 6.80 | 7.65 | 8.50 | 9.35 | 10.20 | 11.05 |
|                  | Net Returns above Variable Costs (\$/acre) |      |      |      |      |       |       |
| 38               | -154                                       | -128 | -103 | -77  | -51  | -26   | 0     |
| 41               | -139                                       | -111 | -83  | -56  | -28  | 0     | 28    |
| 45               | -122                                       | -91  | -61  | -30  | 0    | 30    | 61    |
| 49               | -101                                       | -67  | -34  | 0    | 34   | 67    | 101   |
| 55               | -75  | -37  | 0    | 37   | 75   | 112   | 150   |
| 62               | -42  | 0    | 42   | 85   | 127  | 169   | 212   |
| 72               | 0  | 49   | 97   | 146  | 195  | 243   | 292   |

Landowner Receives 20% of the Crop

Tenant Pays 100% of Hauling Crop to Grain Elevator.

Landowner Pays 100% of Fixed Irrigation Expenses.