

*Projections for Planning Purposes Only  
Not to be Used without Updating after October 15, 2004*

**Cow-Calf Production Improved Pastures 40 Cow Herd  
North Texas (4)  
2005 Projected Costs and Returns per Head**

=====							
PRODUCTION Description	Quantity	Unit	\$ / Unit	Return			
CULL COWS BEEF	0.10Hd	9.000	cwt.	50.0000	45.00		
HEIFER CALVES	0.28Hd	4.500	cwt.	112.0000	141.12		
STEER CALVES	0.43Hd	4.800	cwt.	118.0000	243.55		
					=====		
Total GROSS Income					429.67		
=====							
OPERATING INPUT or CUSTOM OPERATION							
Description	Input Use	Unit	\$ / Unit	Cost			
HAY BERMUDA	24.750	bale	25.000	618.75			
MISCELLANEOUS COW-CALF	1.000	head	10.000	10.00			
PASTURE BERMUDA	1.800	acre	37.320	67.18			
SALES COMMISSIONCULL COW	0.900	cwt.	1.250	1.13			
SALES COMMISSIONSTOCKER	3.180	head	11.000	34.98			
SALT & MINERALS	0.490	bag	10.000	4.90			
SUPPLEMENT	1.500	lbs.	0.050	0.08			
VET. MEDICINE COW-CALF	1.000	head	7.000	7.00			
Fuel					9.37		
Lube					0.94		
Repair					5.94		
					=====		
Total OPERATING INPUT and CUSTOM OPERATION Costs					760.25		
=====							
Residual returns to capital, ownership labor, land, management, and profit					-330.58		
=====							
CAPITAL INVESTMENT Description	Quantity Invested	Unit	Rate of Return	Cost			
Interest - IT Borrowed	1291.672	Dol.	0.090	116.25			
Interest - OC Borrowed	419.438	Dol.	0.090	37.75			
					=====		
Total CAPITAL INVESTMENT Costs					154.00		
=====							
Residual returns to ownership, labor, land, management, and profit					-484.58		
=====							
OWNERSHIP COST Description (Depreciation, Taxes, and Insurance)					Cost		
Machinery and Equipment					43.43		
Livestock					14.98		
					=====		
Total OWNERSHIP Costs					58.41		
=====							
Residual returns to labor, land, management, and profit					-542.99		
=====							
LABOR COST Description	Input Use	Unit	Average Rate	Cost			
Machinery and Equipment	3.108	Hr.	5.152	16.01			
Other	5.400	Hr.	5.000	27.00			
					=====		
Total LABOR Costs					43.01		
=====							
Residual returns to land, management, and profit					-586.01		
=====							
LAND COST Description	Input Use	Unit	Rate of Return	Cost			
BERMUDA PASTURE Annual Lease	1.800	Acre	20.000	36.00			
NATIVE PASTURE Annual Lease	2.000	Acre	8.000	16.00			
					=====		
Total LAND Costs					52.00		
=====							
Residual returns to management and profit					-638.01		
=====							
Residual returns to profit					-638.01		
=====							
Total Projected Cost of Production					1067.68		

*Projections for Planning Purposes Only  
Not to be Used without Updating after October 15, 2004*

**Cow-Calf Production Improved Pastures 40 Cow Herd  
North Texas (4)  
2005 Projected Costs and Returns per Head**

GROSS INCOME Description	Quantity	Unit	\$ / Unit	Total
=====	=====	=====	=====	=====
CULL COWS            BEEF	0.10Hd	9.000	cwt.	50.0000
HEIFER CALVES	0.28Hd	4.500	cwt.	112.0000
STEER CALVES	0.43Hd	4.800	cwt.	118.0000
				=====
Total GROSS Income				429.67
VARIABLE COST Description				Total
=====				=====
BARN                    HAY				0.26
FENCING                ONE MILE				2.90
HAY                     BERMUDA				618.75
Interest - OC Borrowed				37.75
LIVESTOCK LABOR				27.00
MISCELLANEOUS        COW-CALF				10.00
PASTURE                BERMUDA				67.18
PENS & EQUIPMENT				0.81
PICKUP TRUCK         3/4 TON				28.29
SALES COMMISSIONCULL COW				1.13
SALES COMMISSIONSTOCKER				34.98
SALT & MINERALS				4.90
SUPPLEMENT				0.08
VET. MEDICINE        COW-CALF				7.00
				=====
Total VARIABLE COST				841.01
Break-Even Price, Total Variable Cost	\$ 317.29 per cwt. of STEER CALVES			
GROSS INCOME minus VARIABLE COST				-411.34
FIXED COST Description	Unit			Total
=====	=====			=====
Machinery and Equipment	Acre			90.80
Livestock				83.86
Land	Acre			52.00
				=====
Total FIXED Cost				226.66
Break-Even Price, Total Cost	\$ 427.11 per cwt. of STEER CALVES			
Total of ALL Cost				1067.68
NET PROJECTED RETURNS				-638.01