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

Dairy Production (with Silage) North Texas (4) 2005 Projected Costs and Returns per Head

				.=========	
PRODUCTION Descri		Quantity	Unit	\$ / Unit	Return
BREEDING HEIFE	_		head	700.0000	140.00
BULL CALVES	DAIRY	0.450	head	50.0000	22.50
CULL COWS	DAIRY	0.22Hd 13.000	cwt.	44.0000	125.84
HEIFER CALVES	DAIRY		cwt.	120.0000	3.60
MILK		135.000	cwt.	12.5000	1687.50
Total GROSS Incor	1979.44				
OPERATING INPUT					
Descri	otion	Input Use	Unit	\$ / Unit	Cost
BREEDING	DAIRY	0.167	head	24.500	4.08
GRAIN MIX		11.160		7.900	88.16
HAY		6.500		3.000	19.50
MGMT. RECORDS		0.167		18.000	3.00
MILK REPLACER		6.667		0.910	6.07
MISCELLANEOUS	DAIRY	1.000		15.000	15.00
SALT SORGHUM SILAGE		0.120 1.917		5.300 25.000	0.64 47.92
SUPPLIES	DAIRY	0.167		34.750	5.79
UTILITIES	DAIRI	0.167		40.000	6.67
VET. MEDICINE	DAIRY	0.167		30.000	5.00
HAULING	MILK	22.500		0.720	16.20
Fuel					1.33
Lube					0.13
Repair					0.16
					========
Total OPERATING					219.65
Residual returns					
labor, land, ma	_	-			1759.79
===========		_		:========	========
CAPITAL INVESTMEN	TT Doggasintion	0	TT 2 to	D - t C	
	NI Description	Quantity Invested	Unit	Rate of Return	Cost
Interest - IT I	_				Cost 1.50
Interest - OC I	Borrowed Borrowed	Invested 16.693 1.521	Dol.	Return	1.50 0.14
	Borrowed Borrowed	Invested 16.693	Dol.	Return 0.090	1.50 0.14 -35.92
Interest - OC I	Borrowed Borrowed Earned	Invested 16.693 1.521	Dol.	Return 0.090 0.090	1.50 0.14 -35.92
Interest - OC I Interest - OC I Total CAPITAL IN	Borrowed Borrowed Earned VESTMENT Costs	Invested 16.693 1.521 -798.196	Dol. Dol. Dol.	Return 0.090 0.090 0.045	1.50 0.14 -35.92 ======= -34.28
Interest - OC I	Borrowed Borrowed Earned VESTMENT Costs	Invested 16.693 1.521 -798.196	Dol. Dol. Dol.	Return 0.090 0.090 0.045	1.50 0.14 -35.92 ======= -34.28
Interest - OC I Interest - OC I Total CAPITAL INT ERESidual returns land, management	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit	Invested 16.693 1.521 -798.196	Dol. Dol. Dol.	Return 0.090 0.090 0.045	1.50 0.14 -35.92 ======= -34.28 ====================================
Interest - OC I Interest - OC I Total CAPITAL INT ERESidual returns land, management	Borrowed Borrowed Earned VESTMENT Costs to ownership,	Invested 16.693 1.521 -798.196	Dol. Dol. Dol.	Return 0.090 0.090 0.045	1.50 0.14 -35.92
Interest - OC I Interest - OC I Total CAPITAL INT ====================================	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (De	Invested 16.693 1.521 -798.196	Dol. Dol. Dol.	Return 0.090 0.090 0.045	1.50 0.14 -35.92 ======== -34.28 1794.07
Interest - OC I Interest - OC I Total CAPITAL INT ERESidual returns land, management	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (De	Invested 16.693 1.521 -798.196	Dol. Dol. Dol.	Return 0.090 0.090 0.045	1.50 0.14 -35.92 ======== -34.28 ========= 1794.07 ========= Cost 2.76
Interest - OC I Interest - OC I Total CAPITAL INT ====================================	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (Deguipment	Invested 16.693 1.521 -798.196	Dol. Dol. Dol.	Return 0.090 0.090 0.045	1.50 0.14 -35.92 ======== -34.28 1794.07
Interest - OC I Interest - OC I Total CAPITAL IN ERESIDENT PROBLEM Land, management CONNERSHIP COST DO Machinery and I	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (Deguipment	Invested 16.693 1.521 -798.196	Dol. Dol. Dol.	Return 0.090 0.090 0.045	1.50 0.14 -35.92 ======== -34.28 ========= 1794.07 ========== Cost 2.76
Interest - OC In	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (Dependent Costs to labor, land	Invested 16.693 1.521 -798.196 labor, preciation, Taxes	Dol. Dol. Dol. state of the profit of the pr	Return 0.090 0.090 0.045	1.50 0.14 -35.92
Interest - OC I Interest - OC I Interest - OC I Total CAPITAL INTEREST INTE	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (Description) Equipment Costs to labor, lane	Invested 16.693 1.521 -798.196 labor, preciation, Taxes	Dol. Dol. Dol. state of the profit of the pr	Return 0.090 0.090 0.045	1.50 0.14 -35.92
Interest - OC I Interest - OC I Interest - OC I Total CAPITAL INT ====================================	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (Dependent Costs to labor, land	Invested 16.693 1.521 -798.196 labor, preciation, Taxes	Dol. Dol. Dol. and prof	Return 0.090 0.090 0.045	1.50 0.14 -35.92
Interest - OC I Interest - OC I Interest - OC I Total CAPITAL INTEREST INTE	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (Dependent Costs to labor, land	Invested 16.693 1.521 -798.196 labor, preciation, Taxes d, management, ar	Dol. Dol. Dol. and prof	Return 0.090 0.095 0.045 Insurance) Average Rate	1.50 0.14 -35.92 ======== -34.28 1794.07 ========= 2.76 ======== 1791.30 Cost
Interest - OC In	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (Dependent Costs to labor, land	Invested 16.693 1.521 -798.196 labor, preciation, Taxes d, management, ar Input Use 0.377	Dol. Dol. Dol. and prof	Return 0.090 0.090 0.045 Insurance) Average Rate 5.002	1.50 0.14 -35.92
Interest - OC In	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (Deguipment Costs to labor, land equipment Equipment	Invested	Dol. Dol. Dol. s, and unit Hr. Hr.	Return 0.090 0.090 0.045 Insurance) Average Rate 5.002 5.000	1.50 0.14 -35.92 -34.28 -34.28 1794.07
Interest - OC I Interest - OC	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (Description) Equipment Costs to labor, land iption Equipment	Invested 16.693 1.521 -798.196 labor, preciation, Taxes d, management, ar Input Use 0.377 8.000 gement, and profi	Dol. Dol. Dol. Dol. Hr. Hr.	Return 0.090 0.090 0.045	1.50 0.14 -35.92 ====================================
Interest - OC IN	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (Description) Equipment Costs to labor, land iption Equipment s to land, management	Invested 16.693 1.521 -798.196 labor, preciation, Taxes d, management, ar Input Use 0.377 8.000 gement, and profit	Dol. Dol. Dol. Dol. Hr. Hr.	Return 0.090 0.090 0.045	1.50 0.14 -35.92
Interest - OC I Interest - OC	Borrowed Borrowed Earned VESTMENT Costs to ownership, nt, and profit escription (Deguipment Costs to labor, land iption Equipment s to land, management to management to profit	Invested 16.693 1.521 -798.196 labor, preciation, Taxes d, management, ar Input Use 0.377 8.000 gement, and profit	Dol. Dol. Dol. Dol. Toliano policity po	Return 0.090 0.090 0.045	1.50 0.14 -35.92 -34.28 1794.07

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Dairy Production (with Silage) North Texas (4) 2005 Projected Costs and Returns per Head

			_		_	
GROSS INCOME Description			uantity		\$ / Unit	
		=	0.200			140.00
BREEDING HEIFER				head	700.0000 50.0000	22.50
BULL CALVES CULL COWS	DAIRY	0.22Hd	13.000		44.0000	125.84
HEIFER CALVES		0.22HQ	0.030		120.0000	3.60
MILK	DAIRI		135.000			1687.50
MITH			133.000	CWL.	12.5000	========
Total GROSS Income						1979.44
VARIABLE COST Description						Total
BREEDING	DAIRY	====				4.08
GRAIN MIX	DITTICT					88.16
HAULING	MILK					16.20
HAY	HILLIC					19.50
Interest - Earn	ned					-35.92
Interest - OC E					0.14	
LIVESTOCK LABOR						40.00
MGMT. RECORDS						3.00
MILK REPLACER						6.07
MISCELLANEOUS	DAIRY					15.00
SALT						0.64
SORGHUM SILAGE						47.92
SUPPLIES	DAIRY					5.79
TRACTOR	40 HP					3.45
UTILITIES						6.67
VET. MEDICINE	DAIRY					5.00
WAGON	MANURE					0.07
						========
Total VARIABLE CO	ST					225.76
GROSS INCOME minu	us VARIABLE CO	OST				1753.68
FIXED COST Description				Unit		Total
============	.=======	===		====		========
Machinery and E	quipment			Acre		4.27
						========
Total FIXED Cost						4.27
Total of ALL Cost						230.02

NET PROJECTED RETURNS

1749.42