Agriculture

Panhandle agriculture is a diverse mixture of livestock and crops. Almost 6,000 farming operations cover 22,000 square miles, generating nearly \$2.2 billion in sales, approximately 60 percent from livestock and 40 percent from crops. The Panhandle's land and water resources are key to the region's agricultural productivity.

Elevation ranges from 5,400 ft in the southwest to 3,600 ft in the North Platte Valley. The area is classified as semi-arid with 12 to 17 inches of annual precipitation.

Reservoirs on the North Platte River in Wyoming capture snowmelt that is delivered to over 350,000 acres of ditch-irrigated land in the valley. An additional 350,000 acres are irrigated with ground water delivered through center pivots.

Corn and hay comprise the majority of over 700,000 irrigated acres. Corn is produced on about 450,000 acres, of which 75% are irrigated.

Most of this corn grown in the Panhandle is fed locally to cattle. Corn produced in the Panhandle is also processed into ethanol. Bridgeport Ethanol can convert about 48,000 bushels of corn into approximately 137,280 gallons ethanol per day. An important ethanol byproduct for area cattle feeders is wet distillers grains (WDG). Bridgeport Ethanol fills approximately 46 semi-loads a day with WDG for use at area feed yards.

Almost 300,000 acres are devoted to hay in the Panhandle District producing almost 750,000 tons annually. Almost half of this hay production is irrigated.

In addition to corn and hay, a number of specialty crops are grown in the area that are unique to the Panhandle of Nebraska. Sugarbeets are grown on 40-50,000 acres of irrigated Panhandle cropland. The beet crop is processed by Western Sugar, a grower owned cooperative with a factory in Scottsbluff.



AREA INFORMATION

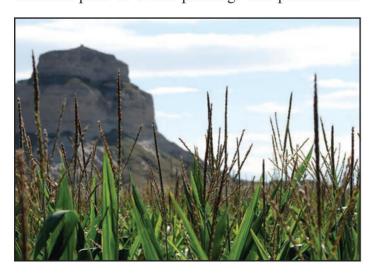
In addition to sugar extraction, the Scottsbluff facility includes an extensive packaging facility and a molasses desugarization plant. Sugar processing in the Panhandle provides over 500 full and part-time jobs.

Approximately 100,000 acres of dry edible beans are

produced in the Panhandle. This is another unique crop to Western Nebraska. Dry bean production in the Panhandle represents over 70 percent of the state's production. Annually, Nebraska ranks first in the U.S. in Great Northern production and second in Pintos. Dry edible beans grown in the region are cleaned and packaged by three major bean processors in the Panhandle. Foreign markets are vital in marketing Nebraska's dry beans. Over one-half of the Great Northerns and up to one-third of the Pintos are exported.

Although Panhandle potato production is relatively small compared to other specialty crops, potatoes are produced on about 3,000 acres in the Panhandle. Potato production is increasing in recent years.

Over two million Panhandle acres are devoted to dryland agriculture. Given the semi-arid climate, most dryland farmers practice a two or three year crop rotation, allowing for a fallow period to conserve moisture prior to wheat planting. The predominant





dryland areas are in the southern Panhandle with some acreage in the central and northern regions.

Hard, red winter wheat dominates the dryland cropping system with more than 600,000 acres in production. Fortypercent of Nebraska's wheat production occurs in the Panhandle.

Winter wheat adapts to varying conditions which gives it the ability to fit into a double-crop and relay-crop rotation systems. Hard red winter wheat is the mainly used for the production of loaf bread, hamburger buns and other foods. The average bushel of wheat weighs 60 pounds, can make 64 loaves of bread. As much as 50 percent of Nebraska's wheat is exported annually to international markets.

Proso Millet is produced on about 100,000 acres. Proso is well adapted to many soils and climatic conditions. It needs very little water and has a short growing season making it a perfect crop for this area. Proso is used for bird seed and export markets. It is also sold as health food and due to its lack of gluten and it can be included in the diets of people who cannot tolerate wheat.

Sunflowers are produced on about 30,000 acres. There are two types of sunflowers, oil and confection. The primary use of oil type sunflowers is for edible oil, but are also be used for bird seed.

The livestock industry accounts for 70% of the gross agricultural sales in the Panhandle. Over two-thirds of Panhandle land is available for grazing and supports approximately 250,000 beef cows. Panhandle feedlots finish approximately 600,000 head annually.

Panhandle agriculture is an important, diverse and interesting segment of our economy. The combination of crop and livestock production with extensive processing facilities provides much of the economic and employment base for the region. Efforts to diversify our economy are important. Land and people, however, will continue to be our most precious resources.