Bull Session 2-28-22

**Holly Stoltz:** [00:00:00] Tonight's session is about cultivating, mutually beneficial leasing opportunities with neighbors people in your area. And we have Pete Lannon from Livingston who has been pretty creative on picking up some lease ground to graze.

And then we have Eddie McCauley and mark Suta from Shelby. And there's a rancher and a farmer relationship that they, that they have cultivated. And so we'll hear from them and how they did their story. But I think one of the important things to get out of tonight that I I'd like to see is As to figure out, like, how do we approach people?

What do we need to know? That's going to benefit them and us at the same time and make it a good relationship. So I'm hoping that our speakers tonight can kind of, you know, let us know how they, how they started that conversation. So without further ado, I'll, we'll start with Pete and then we'll go to Eddie and [00:01:00] mark.

**Pete Lannan:** All right. For those of you don't know me on Pete Lannan we own and operate Barney Creek livestock in the paradise valley, south of Livingston. My wife and I and two kids and basically started out leasing, my folks ranch that that was our first lease. And we started that Meghan and I'll have to remind me of the days.

So hopefully she can jump in and fill in wherever I, I leave gaps. And then I've been trying to, well, a background for those of you who aren't familiar with paradise valley land prices are absolutely insane. Think the ranch between us, my folks' place in and the river is listed for, I don't know it was 22 or 25 million and it's a thousand acres.

So there's no buying any land in paradise valley unless you win the lottery. And so in order to expand our operation we've been trying to secure leases over the last few years. And there's a lot of [00:02:00] competition for any ground that's open or available to lease. There's only really a handful of producers anymore.

And there's definitely some folks that are very aggressive and will offer more than we can afford to pay for leases and, and remain profitable. So the strategy that we've used, Megan, how many places do we have leased now? Sorry, I should know this. We have five, five, little over 800 acres yup. Yup. So, and most of those have happened in the last two years.

And really our approach has been to find land owners that. Interested in trying to pay off the new pivot that they just put in, or, you know, in educating folks that, you know, we, one, we can't pay enough to make it financially viable for them. So there has to be other benefits. And a lot of that's just been [00:03:00] approaching generally a fluent ranch or landowners and, and having the conversation with them, with what we do.

And what we do is holistic planned grazing, or adaptive grazing with our cows in and explaining the benefits of that and seeing it something that they're willing to partner with us on. And the other thing we've done is, well, Being friends with realtors helps quite a bit to know what's on the market.

Getting our names out there to a handful of realtors that know what we're doing so that when they sell a property, that they can recommend our services in, in doing so we've been able to negotiate some relatively low cost leases but the biggest thing, and that's nice, but the biggest thing is, is building these long term relationships with owners convincing them to invest in some infrastructure.

I mean our basic model, is it anything that's [00:04:00] portable? We like high tensile fence above ground water lines, anything that we need to implement our grazing. Is owned by us and installed by us. And if the landowners kick us off, we take that stuff with us. But you know, permanent infrastructure like winterized, water tanks, et cetera.

we've been fairly successful in talking to the owners and saying, Hey, this is a long-term investment for you. You know, we're not going to pay for it. That it would be awesome if we could get, you know, at least one water tank on this property or two, so we can utilize it during the winter. And Meagan is probably better at explaining this than I am.

So BU if you want to jump in and

help me out a little bit,

**Meghan Lannan:** so I think where we've really tried to get creative, you guys is you know, I know a lot of us have really watched the goat and well, mostly the goat people really take off in California. And really promote themselves as grazing for fire mitigation.

We tend to approach it. We're grazing for [00:05:00] land rehabilitation and shifting our reputation as grazers a little bit. And bringing those landowners along as team members and telling them, you know, what the cows are doing for their land and what their soil health is and what their plant tissue tests are coming back.

As some of our landowners don't really care, but some of them are really into it because the way I look at it is they are advertising for the job that we're doing for the land. And so even if they don't have cows, they may go to a, you know, a party or something. And then they're talking about, wow, this is what people are doing with cows here.

And then some of those affluent landowners are like, well, we don't have anybody grazing our place. We didn't want cows. And so what they're doing is they're, they're promoting our practices to hopefully open land for others that are doing what we're doing. We may not graze their lease, but maybe that's opening a door for another Grazer.

So I [00:06:00] think the days of just kind of getting your cows on the land and turning them out and leaving and not really, I mean, I know we all have relationships with the landowners. I don't want to make it sound like none of us have, but it's shifting it a little bit and educating them as we go and bringing them along as, as a team member and explaining to them what the cows are doing.

I think has really made a difference for us.

**Pete Lannan:** Well, and I think there's an accountability factor in that relationship, you know? . Letting them into what we're trying to do in our management. And having them watch, you know, and explaining, okay, this is what we're doing here.

This is what, you know, we expect to see this coming spring, you know, and we're going to bale graze here on this little piece. And, and I want you to watch, you know, this next couple of years, these spots and, you know, providing them with that information, that monitoring. And, and they get re some of them like Meghan said, get, get really into it.

And some of them are just happy to have cows there. [00:07:00] But a lot of the places. That we've picked up for leases or are properties that have not been grazed for a couple decades in a lot of situations. A few of them had. And we've, I don't know if this is because we're doing things well or what, but we've actually had people come and find us and be like, Hey, would you be interested in grazing our property?

And some of those situations don't work out because it doesn't make sense for us. But trying to point them in, you know, to an another rancher, that's doing something somewhat similar that maybe that would fit for their operation. So that's, that's.

Meagan is also the one that, so I usually do all the numbers and figure out, you know, what's going to be profitable, what we can pay for a least in terms of overheads and how much labor it's going to take and how much that's going to cost us and do all the numbers for that. Meagan's the one that comes in.

She's like, well, how about you pay us how about we just use your property for free? And I think we have at least one landowner that would do that. But what [00:08:00] we've agreed upon as a lease payment is that we pay for the power to run their pivots. So they they're out, they're not out that money to run their pivots.

And then, and then we manage the irrigation, manage the grazing, et cetera. It's a win-win in that, in that.

So I'll probably just stop there if that's okay, Holly, and then leave it up for questions after everybody gets a chance to talk.

**Holly Stoltz:** Thanks Pete. So Eddie and mark, do you want to explain your situation? And then I did forget I do have Corey Fauque. He is from sunburst and he has been doing a lot of the cover cropping with grazing and, and so I would like him to be a little bit after mark and Eddie, just about like, you know, the benefits of cover crops to your soil and maybe, you know, he can help explain how to approach these landowners with the benefits that they'll receive.

So after Eddie and mark will get to Cory.

**Mark Suta:** You want me to go first to Eddie?

 I wanna start off by saying I'm a [00:09:00] past president of the Montana association of conservation districts statewide and about, oh, I don't know, eight years ago. Our conservation district got a, a grant to do a five-year study on soil health and basically in a rotation. And we took 15 acres each year and did 15 acres and.

Foul seated the other 15 and then, and then swap them back and forth for a five-year study. We took the different samples and the different you know, the amount that we got on top, the amount we got on the bottom and did a bunch of different testing and, and to see what it would go and, and how it would work in.

There's too many variables in glacier county and cut bank Montana with a, with a rainfall of anywhere from two to [00:10:00] six inches in the growing season. And my point at that time was, you know, this isn't gonna work. We need our year off our we crop fallow, and, and that year of fallow replaces your, your soil moisture and, and by recropping, we've never had much luck at unless you get the rains at the right time or, or during those times.

So w in that five-year study, we had quite a few wrecks and, and a lot of them were my fault because when you're doing. What I feel is a large-scale agriculture. You and I had landlords and things that, you know, they wanted their crop put in. And, and that, that was my living. That was what I needed to concentrate on.

So the soil health program got pushed to the back burner. So late may, early June, when we got done seeding our normal [00:11:00] crops, then we would go take and take the time to put in the, the, the soil health. And it was too late. It needed to be put in the end of March so that it would get that early moisture Push, I guess.

And, and so we, we kind of did the study wrong as far as I'm concerned, but a normal farmer, or what I think is a normal farmer wants to get his crops put in and get his cash crop in the ground before he goes about. And does any, any trials and tests and stuff like that. So, so I, I, I have kind of a dim view of, of, of, to begin with, I guess, that way, until Eddie came up to me and asked if I would be interested in trying some soil health and what he proposed was that they did it.

They're the ones that wanted the hay off of it. And they're the ones that go out [00:12:00] and they buy the seed and they're out seeding it in March and April or when, when they want to hay it, I guess they go around their own haying season. But they have a little bit, I'd hate to say they have more time, but they have the time when I'm trying to get my crops and they have the time to go see the soil health and it's, it's put in the ground at the proper time.

And, and I think even they would probably say that a little earlier would be better. Cause it could take advantage of some of the moisture that we get early on. So they approached and said, you know, we, we want the soil health, the top growth, because this is what it does for our animals in our feed program.

And, and Mike can tell you it, Mike and, and, and Eddie can tell you a lot more about the nutritional values that they're looking for than I can. So they're, they're getting the benefit from the top growth and I'm getting the benefit from, from [00:13:00] what goes into my soil. We had the NRCS out last year and we did as many tests as the NRCS would like to do on it.

We found out, you know, Man, everything looks great on it. It's it's it does really well. The ground is more mellow. The, it takes the water holding capacity is I'm going to say greater percolation tests, the water flowed into the ground better in all of the tests that they did. This is really doing wonders for us.

And, and, you know, there are a few drawbacks, but, but I guess what we're thinking about is the association between McCauleys and myself and, and I guess it has, hopefully they're getting the benefit from the, the hay that's off there in their mixture with a feed. And I know I'm getting the soil benefit.

It's gonna take a number of years of doing this, [00:14:00] and I think we're going to be going on our, what fourth, fifth year of. How many is that? Or four or fourth year. And I think time will tell. So with that, I'll, I'll kind of put it back over to Eddie,

 I guess I'd like to hear what you, you think you're getting the benefit in the hay and you're getting, hopefully you're getting the nutrients in the, in the hay that you want from what you see.

**Eddie McCauley:** Yeah. We're getting a good quality hay, you wanna test out fairly good on the test?

Probably the, the pieces that we graze, we actually get more benefit and more, and we've got the one piece we've got water access there, and that's the one that we're probably doing the most mutual benefit there. I think, but the ones we hay are, I mean, that's producing a good product and we can time [00:15:00] it to one.

It works in our schedule, kind of works out for the both of us, I guess.

**Mark Suta:** And we kind of just fell into it. I mean, they, they were looking for something that I could produce or I had land and they had something that they wanted to produce. So you can, you can come up with whatever you think about how good it is, how bad it is, drawbacks, you know, but let's, let's, let's go with it and see what happens.

Maybe it's the next big thing.

**Eddie McCauley:** The biggest thing is flexibility. I mean, we we'd graze cover crops with other people, but if they had a set timeline that didn't necessarily fit in with cows, I mean, if you didn't have the cows there to take it off and that time they wanted to spray it out by X. date then this deal, we've kind of been able to just float do what works for both of us.

And we, we probably could get a little greater yield doing earlier in the season, but the stuff we, hay, it fits [00:16:00] in our comes between first and second. cuttings we're able to do that at that time, the machinery sit, and then you're not compounding that headache or trying to put all your hay out at once.

Pieces that we graze in last year. I think we went in, we were fairly late going in. We had, or it'd be two years ago, not this previous summer, but we went in fairly late and left really good stubble, I mean, seed into, but then this last year we went in about the same time we had that rain cows pulled up.

Rather than leaving the stubble, a lot of the grain they pulled up. So everything changes year to year or two it's, and that's gotta be expected on both sides. I guess

**Mark Suta:** the key issue is still the water and the water availability and, and the old flat, 160 acres sitting out there. That's landlocked, you know, we don't have the ability to run the run cattle.

We can, we can [00:17:00] be a lot more diverse if we had have that ability to move cows with available water and the water to grow the plant you know, we're. We're trying to grow plants in you know, we had two and a half inches of rain during the growing season this year. And it's, it's pretty tough to get anything to come up at that time, that way.

So it's hard to have a good test when you're, when you're not getting mother nature helping you,

**Eddie McCauley:** but even in this year, I think our cover crop, as far as the hay took off that one piece, we've been doing continuously the hay out yielded two years ago and first cycle.

**Mark Suta:** Yup. And, and I don't know, I kind of take everything as an experiment, you know, whether, you know, it, it's not necessarily whether you're going to make money when you do things like that, it, it comes down to maybe what's right. Yeah, I saved us. I saved a spray operation by [00:18:00] them having, hay so, you know, it, I saved, you know, anywhere to $10 an acre by not having to spray that chem fellow.

You know, we presprayed it before they seeded it, but I didn't have to do the second or potentially third time time over. So, so cost-wise, it's, it's kinda tough to figure out I can figure out yield loss and I can figure out different things, but actual amount that I'm saving. That's not the point really.

I mean, we're benefiting mutually from the deal.

So it's kind of a unique situation up here. If you get further away, you get to places where it rains, you know, I've seen some. Oh, I don't know programs on soil health, you know, and it's, it looks like a alfalfa field out there and growing so well. And, and, and, you know, it's, you can do a lot when you have the rain.

**Eddie McCauley:** But also this has helped both of us kind of keep our acres up and we're not competing with each [00:19:00] other, being neighbors, especially as tight as. I mean, we can't necessarily compete with the biggest in the area, but this way we're not competing with each other. When we also have I mean, I put up hay with him and we pasture part of it is it's a whole kind of a whole picture deal too that, brought it to this.

This is just one aspect of it.

**Mark Suta:** So, I mean, it's good to have neighbors and it's good to have. It's good to have the working relationship. And, and it started it's that started quite a while ago. There they're haying 600 acres of CRP came out of CRP five, six years ago. And it was, it was still has fairly decent alfalfa on it.

And they started haying that, and it has kind of come from that point on, you know we've tried to do what we can and it comes down to it's a market, you know, we're, we're always looking, you, you go to the elevator to sell your wheat and you [00:20:00] go to a feed lot or whatever to sell your barley. But you can't go anywhere else too, you know?

So they're, they're virtually what you might call it market. Last year, I grew some winter triticale for them to hay and you know, that there again, the experiment of it it didn't yield near what I thought it, or I should say what I was hoping it would. But you know, it, it could have yielded a lot better than we all would have been better off.

But dry land, you know, we don't, we didn't know what to expect and but they still got a fair amount of hay off of it. And that was 160 acres that, you know, might've been put in the spring wheat that I may or may not have had a market for. So there's it, it has a lot of benefits to it.

Nothing better than working with your neighbor.

 That was kind of a quick overview, but, you know, and we could talk for hours on, you know, [00:21:00] crop, crop loss compared to summer fallow crop, you know, but it's all part of it.

**Holly Stoltz:** So, so Corey maybe he's talking a little bit more on like the cover crop option. Like if people have farmers next to them since you do all of it, I mean, how, how would you approach a farmer neighbor?

What kind of statistics could you give them to make it worth their while or, yeah, give us your 2 cents.

**Korey Fauque:** So there's multiple things kind of coming down the pipeline that'll make this easier to do, right. I think the carbon credit things coming and the cover crop thing ramps up the soil carbon, no doubt faster than cropping it.

And so that's a benefit, I think, to a neighbor first off is that they're going to be pushing a lot more cover crops than somebody's going to have to either graze or hay. Most of this and grazing it certainly works better from the soil health standpoint. I think so I, what we're doing is kind of keeping track of like, what [00:22:00] we're getting for AUM is off of this stuff.

And if somebody took yearlings, I had a neighbor come over and throw yearlings on cover crop at the end of July, when everything else is brown, they're probably doing like a pound of gain per day out on the grass. And you could get probably three pounds out of the cover crop. And so. We kind of look at it the other way around, right?

Like it should be worth more per acre on a lease on a farmer's side than some crappy grass that we're stuck grazing the other way around. And so I guess there's just different ways to look at some of these things, but if the farmer's getting an equip or CSP payment anyways, for doing the cover crop and he can then maybe recapture 20 bucks an acre on the grazing side, it's pretty easy partnership to sell.

And it's better grazing for us too. And we do go graze some neighbors. A lot of the neighbors don't have infrastructure specifically the fencing part, but we bought one of those razor Grazer things in Canada, his little, $10,000 gizmo for four miles of fence. And we can put up four miles of fence now.

And geez, I don't know, half a day easy, I think out there. And so [00:23:00] there's stuff we invested in that the neighbors, like, I think that make it easier for us to graze their covers. But then on the flip side, we do better because their cattle are gaining better when they're out on that stuff too. So that does that kind of make sense.

And then I think long-term, there's going to be a big push towards not fallowing anymore. This is kind of a good middle ground between the fallow and the cropping, everything for some of these guys where you can kind of let that ground rest, but you're going to recapture some payments on the carbon that you're building in there and stuff too.

So I don't know, like mark said, this area is very different because we're maybe dealing with a ton to two tons, an acre and stuff on this cover crop. Down on the paradise valley, it might be eight tons. Right. And so, but it's different. It's just all a matter of perspective. And the other thing around us is there's a lot of water development that needs to be done, but there's a lot of equip money now for water development, like on our own farm, they're going to pay a good portion of putting in like 14 tanks and like 15,000 miles of pipeline.

And you don't even have to have cattle to qualify [00:24:00] for that anymore. Or to have this stuff fenced. They just want the water development on the crop land. So I would look at kind of partnering with the government and the farmer and the rancher together, get the water developed, and then you can do all kinds of stuff.

Right. If you can get to that point. So I don't, I don't know if that makes sense.

That's about all I've got, unless you want me to, I could go on forever with slides and stuff, and nobody wants that. But I definitely go talk to your NRCS office and look at getting water development done or getting cost share on the cover crop that you're going to be the one seeding it. Right? Cause I think a neighbor with cattle would gladly come over about the middle of July this year of it's as dry as it looks to go graze cover crop versus the grass anyways.

So we do have some issues with some nitrates and some presic acid. We've had a few calves that we've lost out in there on that situation. But once you lose a calf or two, you just get them off of there. That's sort of what we've found. And that sort of, hasn't been a big, big issue anyways there. And I guess the only other thing I can think of that could be kind of a wreck.

Cause if you see did the cover [00:25:00] crop and they got in there too early and you didn't have much organic matter underneath there and it rained a bunch, you could really kind of probably piss the farmer off that way. So there should be a plan, I suppose, in place, if you get a bunch of rain and there's not enough cover to hold them cattle up, that you should get them off of there somehow during that stretch of things.

And that that's about the only other thing we've seen. We have screwed some ground up early in the spring where we put cattle in, on cover crop or winter triticale, we had seeded, we let them back in there to start grazing. And it's like, right, when that frost is coming out of the ground and you can get some pretty decent compaction if you do that stuff.

So just from a partnership standpoint, that wouldn't be too good. It's on our own land. So if we screw it up, I guess it is what it is. Right. But that yeah, I don't know. I mean, I'd be glad to help anybody get pointed in the right direction with the NRCS programs are equipped for stuff like that. If you don't want that, your helped us a lot anyways.

And I think that's all I have. So

**Holly Stoltz:** awesome. Thank you, Corey. So I'll just open it up [00:26:00] to questions but just turn your mic on and ask. And then if I just, you know, just turn your mic back off and you're done asking your question. That would be awesome.

**Butch Gillespie:** Ah, this was Butch.

Yeah. I guess several, maybe I should start out first with Pete and Megan, I guess it just impresses me that and the land you're in down there. That you can come in and make cows a viable concern and the soil improvement part of it and all that. Instead of having a bunch of

people that have no use for cows whatsoever, they screw up the environment and all this kind of stuff that we are putting up with and a lot of places. So I guess that it warms my heart to see you, then they're utilizing this land that in a situation where you'd never be able to make it pay yourself, but when you got the right people that own it, and you can sell them on the [00:27:00] idea of improving that land, instead of just letting it lay there and go to weeds or or a fire hazard or whatever.

So, I guess you know, I think you're doing something really, really useful there other than just what you're doing for yourself. Maybe you'd like to comment on that for just a second or two.

**Pete Lannan:** Yeah. I'll take it for a little bit. And then Megan probably chime in, but yeah, we look at it as we're trying to improve the relationship of people with agriculture in general.

So we're hoping, hopefully that Meghan touched on it, that, you know, we're educating these folks, we're giving them a good example so that they can look at it and they're like, yeah, we can see the improvements. So increasing their property value hopefully too. But then also trying to set it up for other producers that are somewhat like-minded.

Have that opportunity, you know, maybe this, these folks live in Phoenix, Arizona, and then they have a place out in Kansas and a place up in paradise [00:28:00] valley that, you know, over in Kansas, there's probably a young producer or somebody who wants to go after it that, you know, they would give an opportunity wherever else they have property.

The other part, and it was hit on is the carbon credits and, and soil health. You know, that's all stuff that they, they can get paid for, that they keep the carbon, they keep the soil health, you know, that's all a benefit to them. So that, that's basically how we sell it, but yeah. It's, it's fun.

To work with people that are into it and really watching. And when are you going to bring the cows? Or when are the cows going to be here this year? You know, I it's been nice cause we've never had anybody, like, when are the cows leaving? Could the cows leave now, you know, they're out there generally. I was loading out in November from one property and trailer and the cows over to another place about 10, 15 miles away.

And the owner pulled up and I hadn't seen her that year. She hadn't been up to her property and she's like, [00:29:00] oh, the cows are leaving. And we just got here. I'm like, oh, well I'm sorry, Susan, there'll be back next year if you'll have us. Oh yeah. We love having them here and seeing it around them. And you know, and in that situation, really, the only thing we have to manage with the cows is make sure that when we, the gentlemen who owns the property.

He likes to walk and his manager, mows paths for him to walk around his property. And so when we're building our temporary fence, we just have to be really careful and, you know, is, is he going to be walking these paths this, this week or these four or five days that we have the cows there? That's a pretty, pretty simple thing to manage.

If that's the worst concern that we have, I think we're doing pretty well.

**Meghan Lannan:** I'm just going to jump in really quick because I know people probably have more questions, but Butch, thank you so much for noticing that. And I think that the farther we get down the road and this, you know, the world we've always been fighting with ag is this us versus them.

And the more the [00:30:00] plant plant-based discussion comes down and the methane and the burping and whatnot from cows and how bad they are. I think we just got to figure out how to make them partners and make them understand exactly what we're doing. And so. Thanks for recognizing that because we've really tried infuse that everywhere we go and make them just be on our side, you know, together.

So we're, we're doing all this stuff together. So thanks.

**Bill Milton:** I have a questions. So all you guys referenced the you're doing this for soil benefits and it could be for the owners of the land. And so what are you guys, what are you guys doing for establishing baselines and who pays for the monitoring? Is that, is that a pretty, pretty important part of the process here so that you can establish over time that in fact those benefits are actually occurring?

How do you, how do you how do you arrange getting that done? Both with the owner and with yourself,

**Pete Lannan:** bill, for us, we [00:31:00] pay for the soil tests and the plant tissues to tests, et cetera. Try and do that right when we start leasing the ground. And then every few years after that is the plan. I mean, most of these places, we've just gotten a baseline.

And you know, every few years do those tests again. I mean, it's a little bit of money out of pocket, but we can afford that if, if we're not paying exorbitant rates for a lease. So that's, that's kind of factored into how I figure out how much we're going to pay for stuff. That's, you know, we'll have a few hundred dollars every year in, in soil tests and monitoring plots, et cetera.

I'm not the best at doing that stuff, but Meagan's pretty good at good at reminding us, me that we need to get that stuff done every year.

**Korey Fauque:** Sure. Yeah. Good question. I can cover that on our end too, I guess. So on our farm, we have about 4,500 acres of farm ground. Most of which we're trying to get cattle over, but what we do is we have our own soil probe. We go out and we'll sample everything every year, basically. Right? So we can track.[00:32:00]

Organic matter increases and decreases. And we send up quite a few of those PLFA tests. And then we also got, went through this Elaine Ingram's microscope school thing. I don't know if you're familiar with Elaine Ingram and the soil health thing. And so now it got to the point that we can shake that stuff out in a little beaker and put it under the microscope and we can actually show people what's going on in that soil versus what's going on next door, where the farming practices are different.

And I think that's one of the most visual things you'd do is it's pretty obvious. You look at soil that nothing has been done to you for soil health. That's all bacteria. And you look at stuff that you've intensive grazed over something. There was a lot of other stuff, fungal stuff in there and protozoa and nematodes and stuff.

So, so that, that to me is way more visual than it is looking at a piece, a sheet of paper. Right. I guess if that makes sense, but.

**Mark Suta:** I pay for our soil tests. Simply because I want to know what, what fertilizers [00:33:00] are, what nutrients I need to put on for the next crop. Not necessarily, you know, you may or may not see on a soil test, what exactly peas do for nitrogen.

You know, they talk about the high nitrogen that peas can put down, but it isn't exactly tested. Your benefit will be seen, but it won't come through in a test with natural nitrogen. And so, you know, it just gives me a guideline of, of how to fertilize for the next crop that I'm going to put in. And, and we're just kind of doing the same old, same old to me with all the meetings and different things that I've gone to.

The nematodes and the bugs and the good insects that you have in your, in your ground. That's almost 90% of, of getting a crop when they talk about your bare soil and a hundred degrees killing all of the, the beneficial bugs that [00:34:00] are in your soil you know, that's what we're doing wrong. There's, you know, yeah.

Carbon credits and things like that are okay for the green and growing crop, but what you're doing to that soil to have a crop on it, that gets that microbial action back together. That'll do more good for the next year's crop than, than I think anything else will. So, so we need to do. No, we lost that.

Some of that ground has been plowed up for a hundred years and it blew away for the first 20 years of those of those hundred. And we're, we're trying to, to grow back top soil and that takes many years and, and that's a whole aspect. So if we don't get that, that activity back in our soil, we'll never have anything.

My, my opinion.

**Bill Milton:** It's always so to the [00:35:00] farmers again, if it's okay, I'll ask you another question is so this is really cool. You're doing, I'm just curious. It's the benefit seems so obvious to do now that you guys have been practicing it. If you were to say, what percentage of the farmers in your neighborhood are.

Excited about what you're doing and they're thinking about doing it too. I mean, how's that community dynamic actually playing out

**Mark Suta:** well, farmers are very individualistic and and, and rightfully they should be. Cause, you know, nobody, nobody knows their farm like they do. There's quite a number of farmers up here that are, are trying to do some benefits, soil benefits some re cropping some different, different crops going in.

We're growing peas for nitrogen we're growing canola and we're, we're growing chickpeas. And 10 years ago that wasn't even heard of let alone have a market for it. And so there there's getting to be more and more [00:36:00] different crops for different reasons being planted up here. But, you know, it doesn't matter what the crop is.

The story is the same. You, you can crop fallow and you're using a lot of chemical on the fallow year that chemical may or may not be available in the, in the coming years. And then what are we going to do if that suddenly ends? And we can't, we don't have that available anymore. I don't think anybody wants to go back to the plow to what got us in the trouble in the first place, as far as I'm concerned.

So, so we're, I think we're, you know, by benefiting both the rancher and the farmer, we're, we're probably taking a step forward ahead of, you know, there's guys out there that well, I'm just going to go plow when we can't buy Roundup anymore. And, and that may or may not be the best situation.

**Korey Fauque:** Yeah, and answer like up in our area, there's, there's [00:37:00] probably a younger group of farmers kind of up around where I'm at. And they had adoption rates now probably 75% or more of this stuff all around where I'm at. So it's very encouraging where probably five years ago it was just a handful of us, crazy people up there, right.

Or whatever that were doing this stuff. And so I think between the NRCS and that a lot of the YouTube video stuff, and just more knowledge on all this and the fallow thing going away, it's, it's changing quickly. I mean, it's gone from probably 25% up to 50 plus percent for the whole area up where I'm at anyways on some form of this, right.

Whether it's eliminating fallow or integrating cattle or whatever. So I think things look kind of optimistic that way, I think going forward. But

**Bill Milton:** so one last quick question, and that's really exciting to hear that. Is the, is a farm program neutral in terms of the people adapting these practices, you see something needing to be changed with farm policy or is it sounds like people are adopting stuff [00:38:00] anyway, it is that, is it an issue one way or the other that your farmers are?

**Korey Fauque:** I think one of the biggest issues is on the crop insurance side, because when you go from fallow to re crop the re crop yields like cropping, everything in our county might be 15 bushels for wheat and might be 40 on summer fallow. And there's just so much more risk than for the farmer. That's not covered on the insurance end.

That that's probably, it's a weird, like one government agency tells you to do something. And the other one tells you not to do it at the same time, kind of with their policies, right. If they could all get on the same page, that would help a ton, I think. But that's not how the government functions. I don't think the most.

**Mark Suta:** I and I probably shouldn't say this, but my dad always told me if you had to rely on the government to make a living you're already broke. And so anytime that government dangles the carrot in front of me, I don't care. I'm going to do what I feel is best for my farm. If the government kicked something.[00:39:00]

Then that's, that's going to be my gravy, but I have to farm my farm the way I feel I'd need to farm my farm and government programs are always tainted one way or the other, or, you know, they've come and gone or, or they were a really good thing this year. Well then a bunch of farmers get into the program, then it's not as good anymore.

And, and, you know, it's, it's just not a constant that a guy, I, I'm not gonna sit in front of this computer to figure out what the government's going to pay me to do this project when we can just go do it and, and, and be happy with that. So that, that's the way I feel. I'd love. I'd love for our government to go or the NRCS or anybody to come in and say, you know, we have a carbon cycle and we're going to pay everybody that signs up gets X amount of dollars and we can have it to you tomorrow.

I'd be right there. But when you got to do a certain [00:40:00] plant and you got to do it this way, and you gotta have it seeded by such and such a date, and you got all these, these stipulations, I lose interest pretty fast.

**Bill Milton:** Cool. Well, it would be nice to have those kinds of programs that incentivizes, but anyway, I'd better shut up here.

**Mark Suta:** I, well, unfortunately now if you turn your blind eye to those programs, you're leaving a lot of money under the table. So now more than ever, you need to have the family member that likes to sit at that computer and find, find those programs that are available and get involved. So, I mean, it's it's, it's part of farming nowadays, and then that's not going to go away.

**Bill Milton:** Thank you,

**Butch Gillespie:** Getting back to Eddie and mark on. Most of what you're doing, I'm assuming, and it looks like anyway, as is farm, ground cover crop deal where that you're able to co-op and make use of the animals [00:41:00] and the crop plan, both.

Cause your cover crops, I guess, to do a cover crop, I guess obviously it has to be farm ground or, or something that's being turned, turned into farm ground, but is that kinda the way it works and then that's that one. Then I got a question on some of this CRP that your haying too, and some possibilities there

**Eddie McCauley:** Most of what we're talking here is the cover crop on the fallow. I think we're just using that to the benefit, to produce more forage, just basically the supplement, the whole picture we've got and kind of a three phase mutual dependency between us of pasture hay. And this cover crop falls into both categories.

We've just found out how to make it work for both of us to get the soil health and the forage. That's just upped the acres for everybody basically. And eventually it's going to help your production all the way around.

**Butch Gillespie:** Are, are you, [00:42:00] I'm trying to drill down on that just a little bit. Are you Like, instead of going summer fallow, then you can go with a cover crop. And so basically as it into production every year then, but some of the advantages of the cover crop help overcome like mark was mentioning in there.

Sometimes it takes that summer fallow to build up enough soil, moisture. We all know what that's all about, but does it cover crops? Let you maybe skip that one year that the land has to lay fallow. It can actually be producing something every year if you manage it, right?

**Eddie McCauley:** Yeah. Hopefully your cover crops shouldn't take quite as much as a full crop.

We're probably not doing along the lines of a cover crop, taking it as hay is probably the most correct way to do it, but it offsets the financial end of it. I mean, makes it work for both of us. We're taking that forage off the top. Ideally, it'd be better if you grazed it. So your nutrients go back in your cow's [00:43:00] going to recycle 80% of those nutrients, but obviously some of these spaces don't have any water or we don't have the water going yet on them.

So with the hay and that we're basically getting at least a version of the cover crop in, on acres that never would have been touched.

**Butch Gillespie:** And, and that kind of leads to my next question on the stuff that your haying whether it's from mark or maybe some of your own, but of the CRP that has come out of CRP the stuff that your haying, would it be beneficial, do you think? I don't know if you've tried this or not, or been able to, but what if a guy graze that.

Every third year or maybe even every other year to put those, to recycle those nutrients, like you were just talking about. Would that be better than haying and every year, I guess my question.

**Eddie McCauley:** Haying or grazing and I guess right.

**Butch Gillespie:** Yeah. Rather than, Hey it every [00:44:00] year, if I would actually be better long-term if you could graze it every other year or maybe at least every third year to get some nutrient recycling back into the soil.

**Eddie McCauley:** Yeah. Ideally if you had the thing, your grazing is gonna recycle nutrients, your hay, your exporting the nutrients.

**Butch Gillespie:** Okay. Yeah. Kind of makes sense. But I, but I wasn't sure. So since you guys have been there done that why a, Take advantage of your your knowledge,

**Mark Suta:** you know, if, if you had the, the hay situation or the CRP that was fenced and water available, you know, then you could, you could make a determination whether you want to graze it or you want it to hay.

It unfortunately no hay ground doesn't last forever. And we're kind of getting to the end on some of that that we've been haying. And the alfalfa will go out of it. So we're not getting the nutrients in [00:45:00] the hay anymore either. So, so some of those programs are going to have to end, but you know, you can graze it, you know, there's the ability to put a fence around it and graze it.

To me, what you don't want to do is go plow it back up. You just, every time you put a plow in the ground, you lose X amount of years that you helped build up in CRP. And they have a statistic out there. I can't, I don't have it off the top of my head of what you lose every time you plow that ground after it's been in CRP for, for 20 years.

And you know, you man, the, the grounds that we've put back into production off of CRP is by far the best ground we have on the farm right now. And we haven't put a plow in it yet and other than seeding it. So, you know, I guess if you have CRP acres, you have to do what's best for that ranch, whether it's, it's a place to put the cows at a certain time or, [00:46:00] or there's good enough, hay, you know hay production.

But unfortunately when CRP first went in, they were all three grass mixtures and or then it went to a, like a five grass mixture. And it, it had been in for 10 years before they went to native varieties and alfalfa and, you know, on, on our place. We didn't put any alfalfa in it. And any alfalfa in those CRPS all came in on the wind and what the CRPS, where we actually seeded alfalfa and inoculated it, and it created nodules and nitrogen and everything.

They're they're going to be by far the best farm ground that we have. I'm looking forward to getting some of it back into production. There's not a lot you can do with a straight three grass mixture. That's that's what Eddie has a lot of, you know, you can, you can graze it early in the spring when it's green, and then if it rains in the summer, you can put cows on in the fall because the [00:47:00] green back up.

But it's pretty limited on what you can do. And it all depends on what grasses were seeded in it.

**Butch Gillespie:** Yeah. There is an awful lot of variation there, so yeah. I, and you, you guys, you and Eddie, both why we're all neighbors, so appreciate your expertise, or what you've learned so far. Anyway.

**Mark Suta:** Well you stop in any time.

**Holly Stoltz:** So mark and Eddie, I don't know if we touched on this, but. What's the financial like, do you play it to pay a lease Eddie or do you pay for the seed and mark? Do you plant it or how does that work?

**Eddie McCauley:** We buy all the seed and seed it.

**Mark Suta:** That's that's one of the beauties of the program is, is there seeding this while I'm seeding my cash crops?

I guess I could say they'd pay for the seed and they seed it. They've been rolling it. And then they come in and hay it and [00:48:00] basically I just let them do whatever they want to on it for the year, while I'm taking care of what I get, what else I have. So financially they're probably taken the brunt of the cost and everything, but they're getting the hay.

That's why, I mean, mother nature tells them how much hay they get off of it, unfortunately. But I guess she tells him what kind of crop I get off of it too. So. Like I said, for me, it just, it saves me the spray operations during the year, because I'm not, I'm not chem fallowing that for the year. So, so there's, there's costs and there's benefits on both sides.

**Eddie McCauley:** And that's what helps us is flexibility. We've tweaked our mixes and change things out, found plants that did work stuff that didn't work. And it's kind of allowed us to just run with it, to see what works on both ends.

**Holly Stoltz:** So then Pete and Meegan kind of the same question. Do you pay, how do you figure out your [00:49:00] costs and stuff for your leases? And then is that what you, how you pay him or do you have cash leases or all individual agreements there?

**Pete Lannan:** I mean, obviously with each landowner, it's, it's different, but they're all cash leases.

How I figure that and whether or not we get the opportunity to lease a property and we decide to actually do it is basically that the 40% roll between. So let's just say that piece of ground is gonna, you know, yield $10,000 worth of gross product. You know, that by running our cows there, that we can make 10 grand off of that, Between the labor and the land costs, that's gotta be 40% or less to be profitable.

And so that's how we go in there as like, this is as much as I'm willing to pay for that. But yeah, they're all cash leases. We don't do anything per animal unit. Cause I think that's kind of a bad deal for [00:50:00] us. theoretically, we should get better production and be able to run more animal units on a piece of property after we've managed it for several years.

So yeah, just all straight cash leases and usually it's, it's something structured. That's, it's something that people would be paying for that we take that expense so they don't have to, you know, they may pay the power bill, but at the end of the year we reimburse them for that.

**Butch Gillespie:** Maybe one for for Korey here. I was at got to get, gotta get Korey in the mix here too. Cause he's always got good stuff, but but yeah, just looking at it from your bird's-eye view, since you into so many different businesses. And it sounds like it's happening in your area, that there is real buy-in on this stuff.

And apparently it must be working or there wouldn't be the sustained by in that might try a one or two years and and then get out of there. But any, anything from a big picture, point of view?

**Korey Fauque:** No, you know, I think just really everything just keeps shifting more and more [00:51:00] towards supporting this, whether it's the NRCS education or, or the government programs or the fact that it really is working on our farm, even without some of that support.

I, I can show you just real quick. I, I have a slide here that I could show you. What we did was CRP. You're asking about grazing CRP, right. What we could do with that stuff, if we grazed it and also I'll try and do a screenshot here. I don't know if it'll work or not. It may not. But basically we took CRP that was cheatgrass and.

Crested wheat grass and have been intensive grazing across that. And in about three years now, we're up to a ridiculous amount of diversity in there, and probably three or four times the yield of what it was putting out just by moving the cows across that stuff. And so there's a lot of stuff you can do as long as you have the infrastructure to do it right now.

And to me, that was one of the more exciting things that we did is we took ground. We can't even farm anyways and turned it into something that now is the best producing grass on the farm that we have. So it was possible. It just involves moving the cattle and not letting them camp out on there all the time, I guess, sort of.

**Holly Stoltz:** [00:52:00] So I turned your screen on so you can share Corey.

**Korey Fauque:** Oh, well here I can put that up for, I think, let me see if I can figure this out now.

So this should be working now. Are you guys seeing that there Butch? Oh yeah. This is the crop on this same day, right? This is June 27th and it was dry last year, like two and a half inches of rain. And this is that chunk of CRP ground after we already intensive grazed across that during may. So this would have been July, June 27th after we got all that heat and you can see how much grass came back in that.

And it was really literally was probably half cheat grass and Crested wheat when we started this deal. So I think there's some pretty amazing stuff you can do with moving cattle. Across things once you get, and it's not that expensive to get the temporary fence set up and stuff, it's just, we're lucky because we have quarter mile runs of high tensile, permanent fence in this stuff too across it, which made it easier.

But, but [00:53:00] point being, I think it's possible to do it without having to take hay off of it even, and without having to put it back into crop. I think so I'll stop that. Screen-share now. So you're not stuck looking at this forever, but

**Butch Gillespie:** that, that is pretty impressive. And cause somebody was just explaining this to me the other day or trying to anyway, but something about there is an awful lot of old seed from maybe who knows 50 years ago, maybe even more in the ground, if it could just be allowed to present itself in the right condition.

So for this to come back in that good, that must be what's cause you're not in. You're not reseeding. Any of that are you,

**Korey Fauque:** you all get into seed signaling and all the crazy stuff in that end of the biology, it's like fascinating, right? Because you're right there, all that seeds in there in the ground. And a lot of that last 20 or 30 years in the ground, it just needs the cheat grass.

Doesn't like when you graze across it and get off of it. So that thinned it out and then it's signaled for the rest of that stuff to [00:54:00] take off. And it just does it, I don't know. It's a harder thing to pull off in native range where it's really bad because your moves have to be so big or you'd have to do a lot of moves every day to get enough animal impact where we've grazed that down to where it's club Moss.

Right. But I think in the CRP, there's a real good opportunity to turn some of that around. So yeah. Sounds good.

**Bill Milton:** Korey, what kind of stock density do you apply to get that kind of response?

**Korey Fauque:** We're getting like, we had trouble at the beginning at about 70,000 pounds an acre per day or whatever of not overdoing it, you know?

And so now we're getting up closer to the a hundred thousand thousand pounds per acre, per day with only one move a day. And I think if we could get multiple moves a day, you could really do some cool stuff, but who has the time to do that part really? Right. So

**Bill Milton:** I moved twice today

**Korey Fauque:** well, you guys, you guys would have better grass and moving in the winter too. That'd be another thing. If [00:55:00] we can get set up to do that, we can do some really cool stuff with the newer management stuff. We aren't to that point yet, because it's just too much work and stuff in the stubble where we;re at, but in the grass end phenomenal what you can do right with stock density.

**Mark Suta:** One of the thoughts I always had was, you know, even in the eighties, when I went to college, you know, seeding it back to an alfalfa grass mixture, much like the CRPS did, you know, find yourself a neighbor, seed it back to a straight alfalfa or something for five years. And you can, you can improve your soil health so much more probably even more than what we're doing with what we call a soil health program.

And I'm not too sure what, if you seeded it back to grass with a good grass alfalfa mixture that you wouldn't have more benefits in your soil later down the road. And you can do just what Cory's talking about with your, with your cattle, either way that, or. And I think, yeah, you'd [00:56:00] probably have a bigger benefit.

**Korey Fauque:** Totally. And that, that was actually the most sustainable agricultural system that was set up was in wasn't it in Brazil. I think where they were seven years on and seven years off, it would go seven years of grass, seven years across. And it was great and it worked, but then all the farm subsidies screwed everything it all up and they tear all the grass out and what we're doing, but we're doing some of that actually, mark, that's a really good point because we've seeded some of our ground back to grass or intensive grazing it.

And we're probably getting close to the same income we were getting at least when wheat was five bucks, right. From when we were farming it. So, yeah, that's a really good point.

**Bill Milton:** I might just respond to like alfalfa. It's an interesting kind of beast when it's mixed in with native grass or the crested wheat, because that alfalfa through. It's really not that useful for a good time. And it's not, it's not in fact, not useful for winter grazing. You know, I can appreciate what it adds, but you know, our old crested wheat stands.

It may have a lot of alfalfa actually. The more I [00:57:00] can actually thin it out, it's actually makes for better year-round production where it seems kind of odd, but that's been my experience.

**Mark Suta:** Well, unfortunately crested wheat grass. Isn't all that great at grass anytime. So you know, that was the biggest thing put in our mixture that and Western brome and within three years, Western brome took everything else out. And in Macaulay's case they have a, they have a. You know, a thousand acres of Western brome grass, it doesn't want to grow itself.

You had to be careful what kind of grasses you put in it to, to begin with. And they're not the only ones. I mean, they're the people that planted their CRPS. There were no different, they were recommended those grasses to be grown because they grow readily and they, you know, they knew so much, but they weren't, they weren't the best grasses at all to put into a mix.

**Korey Fauque:** Yeah. And that's what we've tried putting in now, a bunch of different [00:58:00] stuff in there so that you get a lot of diversity, just like we're doing on the cover crop. And then you have grasses that stay green all year and you can get in pretty well control. Like if one's getting out of hand, you can control that with grazing timing and knock it back and let the other ones crank up.

You just got to kind of get into a rhythm of what you're doing there sort of, or whatever. So the cows can change all that pretty readily, as long as you time your grazing. Right. I think.

I don't know, who knows. We'll probably be broken five years and this will all be for not maybe, but I don't think so. Although it seems to be going in the right.

**Mark Suta:** Well, I still come to the conclusion that everything's an experiment.

Totally,

**Butch Gillespie:** I'll ask one more question. This used to the question I always ask. Cause I, cause not too many people. Go along with, beyond this one, but I keep waiting to get the answer that I want to hear, but it, and it just gets back to like a Korey you're saying grazing, you know, once a day and maybe even twice a day would be even better yet.

And I've heard this some, you know, a bunch of [00:59:00] times but in my mind, I'm still hung up on the fact that you know, for any, unless you do have a lot of rain when I was in south America, when I was working in 150 inches of rain a year, so we did all sorts of cool things down there, but up here where reality is reality I'm, I'm lucky.

I just think a couple of weeks is, is more of a magic amount of time on a field, then get off there for the rest of the year. But would any of you have any comments on that? Are we given up way too much by only going with a move ever two weeks?

**Korey Fauque:** You know, Corey Hawks has done a lot of experimenting with that and he's kind of found once he gets past about three days, then the benefits start tailing off pretty quick, but between one days and three days up there, he's not seeing a big difference.

And so I, I don't know. I mean, it could be, we're doing way more work than we need to on our stuff, but I can tell you the stuff that we put cattle on for a week or two, [01:00:00] and then moved them off of there in a big group, let's say, and leave them in the pasture. It doesn't improve near as quick as the quicker moves.

I can see that now whether it justifies the time or not, I don't know. But Corey said he's at seen about three days seems to be his best kind of fit there. So, and that may not even be having to move the water and stuff. Right. You might just move the fence away from the water. Every three days. So they, they stay on the new stuff anyways, which is more doable, I think.

I don't know.

**Butch Gillespie:** But it still was better than leaving them out there the whole summer. Right? Well, that's kinda my philosophy. No improvements you make on not letting them camp on a big area for way too long.

It's a good thing. Yeah.

A ranch in Chihuahua 10 to 13 inch rain fall. And he's moving, he's using interns though. I think the, the secret, the secret sauce here is how you manage labor. And I think

the animals five or six times a day, and he's just, [01:01:00] he's just blowing things up.

**Holly Stoltz:** So anybody else have questions?

**Butch Gillespie:** Thank you, Holly.

When's your, when's your next one of these now?

**Holly Stoltz:** We do on the last Monday of every month.

**Butch Gillespie:** Oh, okay.

**Holly Stoltz:** I guess if nobody else has any other questions, thank you. All of you for sharing your stories. And it's always good to hear different perspectives. So, and I also would say too, if, if anybody has any ideas on what they'd like to hear on some of these calls, let me know, because we're always looking for good ideas and they normally come from you guys.

So we hear something out in the field or whatever. That's usually what our topics are. So if anybody has some good ideas, let me know

all right. Well, thanks everybody. Have a good night.