



The Source
Fall 2014



Season of Thankfulness



*Jeff Kahle
Managing Director*

As we enter this season of thanksgiving, we are reminded daily of all that we have to be thankful for here at CHS/United Plains Ag. We have great employees who strive to bring the best to our patrons every day. Supportive farmer-owners who partner with us each year to bring the best to their fields and crops. And communities where we support each other through the big and little stuff life throws our way.

With fall harvest behind us, we are now looking forward. Exciting things continue to happen here at CHS/United Plains Ag. Our energy department is installing new fuel pumps at the Sharon Springs facility to better serve our customers. We also remind our customers to perform routine tank maintenance this winter to be ahead of the game come spring.

Our grain facilities continue to keep busy during the winter months, loading shuttle trains and moving grain between facilities. Our dedicated crew of truck drivers are focused on being safe on the road and on your farms. Meet them on page 7. Give us a call for your on-farm grain needs.

In agronomy, we have hired a new seed sales manager who brings years of agronomy and education experience to his new role. We are offering Autumn

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Thankfulness

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Rewards, a seed financing program with great benefits and discounts. The Precision Ag division continues to grow and we are proud to offer the YieldPoint Water Optimization module to maximize water efficiency through irrigation systems.

As always, our great group of employees is here to help you with every aspect of your operation's needs. We have credit and financing options to work with every budget and every size of operator.

CHS/United Plains Ag is your company and we look forward to partnering with you in 2015.

**Happy Thanksgiving
from all of us
at CHS/United Plains Ag**

Now is the time for tank maintenance



*Dustin Quenzer
Certified Energy Specialist*

With the wheat in the ground and the majority of the fall crops in the bin, it's a good time to do maintenance on your energy storage tanks. It's also a good time to get into compliance with the updated SPCC regulations.

But before I get into the updated SPCC regulations, let's talk about energy tank maintenance. I recommend producers drain and remove all water from their tanks at least twice a year, especially before winter. I also recommend changing all filters on their tanks. With the smaller variances in filters on newer equipment, it's a good idea to do this before you start back up next spring so you won't have issues then.

On June 10, President Obama signed H.R. 3080 into law. It changed the requirements for SPCC (Spill Prevention Control and Countermeasures). The new

rules require producers to include any tank that can hold 1,000 gallons or more when determining if you need to have a SPCC plan. The previous regulation included any tank that could hold 55 gallons or more. The next biggest change is the total capacity. With the previous regulation, if you had less than 1,320 gallons of aggregate aboveground storage, you didn't have to make a plan. Now, that capacity has been changed to 6,000 gallons for the time. The USDA and the EPA have a year to determine whether the 6,000 gallon aggregate aboveground storage is appropriate. Based on the result of a study, they can lower it from 6,000 gallons but cannot go below 2,500 gallons. There has been a lot of confusion about these regulations so if you have any questions, feel free to give me a call.

For the past year we have been upgrading our fuel station in Sharon Springs. We will be installing new pumps and new software to use there. Currently, we are planning to do this work in early December. The fuel station will need to be shut down during this time, and it should take about 10 days to get everything up and running. We will

send out a notice to our customers when the time gets closer. We will still be able to deliver fuel with our fuel truck. If you have a fuel trailer that you bring in to fill at the station, we will be able to take care of you .

This year we are going to be having another oil booking. It will be like last year's, with discounts happening November through the end of January. In November, you will get a 7% discount, in December you will get a 5% discount, and in January you will get a 3% discount. If you have any questions about our Cenex oil, or need pricing, feel free to give me a call.

Thank you again for the business this past year. I look forward to working with you in the future.



Sharon Springs fuel station to receive upgrades

A credit policy for everyone

Joe Horton, Controller

“Credit has done a thousand times more to enrich mankind than all the gold mines in the world. It has exalted labor, stimulated manufactures, and pushed commerce over every sea.” – Daniel Webster

Credit touches each of us in various ways. To some it could be the slightest touch, to others it could be a brush or graze, and to others it is a collision.

Why did your board of directors adopt the following credit policy? To increase the convenience of doing business with CHS/United Plains Ag while protecting the assets and cash flow and treating each of our patrons fairly and ethically. Currently this credit policy affects 95 percent of the patron base that pay within the terms of the policy.

CHS /United Plains Ag Credit Policy

All purchases made on credit during the month that are reflected on the periodic billing statement for such month are due and payable on the 15th day of the month following the month of purchase.

If all purchases are paid in full before the 15th day of the month following the month of purchase, the account shall not be subject to any finance charge.

Any balance not paid before the 15th day of the month following the month of purchase shall be subject to a finance charge of 1.5% per month, which is an annual percentage rate of 18%. Said finance charges to apply to the unpaid balance on the account on the 15th day of the month following the statement date, and the minimum amount of such charge shall be \$.50 per month.

CHS/United Plains Ag reserves the right to terminate credit sales to any patron at any time without prior notification, and in addition thereto, no additional credit purchases will be allowed to any account which remains unpaid on the 15th day of the month following the month of purchase.

Credit privileges may be reinstated after payment of the unpaid balance up to sixty days after the statement is due and payable. After 60 days, re-application of credit may be necessary.

All purchases shall be secured by a security interest and lien in any investment the patron may have in United Plains Ag.

Offering a variety of feed sources

Lyn Lamm, Feed Mill Manager

CHS/United Plains Ag's feed mill, established in 1962, strives to be a leader in the feed industry. The feed mill offers a large selection of products at competitive prices while still providing superior customer service. When you visit one of our feed locations, you will be greeted by our friendly knowledgeable staff. We have a large selection of pet and livestock feeds and supplies.

Whether your focus is pet, horse, cattle, lamb, swine, sheep, show animals, poultry, we have what you need. We also carry animal bedding, water softener salt, fly control, Gallagher fencing, pet and veterinary supplies.

Buying feed in bulk enables our customers to reduce costs. We provide local farmers and ranchers with sacked, poly totes or bulk feeds. We strive to minimize delivery delays. We have two 15-ton delivery trucks available.

Livestock has needs in all life stages which is why we provide a variety of feed sources.

United Plains Ag offers a complete line of Land O

Lakes products, MLS protein and mineral tubs. New to the mill is Alltech feed additives. Our Brewster location offers a complete line of Alliance nutrition, including protein and mineral tubs. Other CHS/United Plains Ag locations where product can be delivered include Quinter, Colby, and Burlington, Colo.

We custom roll and mix using various commodities and proteins to fit your program. With a long history of quality feeds and grain mixes we remain focused on our mission: To grow company profitability and stakeholder value.

Johnny Unruh joined the feed mill in March.



New seed sales manager hired



Mike Wetter
Seed Sales Manager

Mike Wetter joined CHS/United Plains Ag in September as the new seed sales manager.

He brings an agricultural background centered in agronomy and education. Mike lives in Colby with his wife, Annette, and their three children, Olivia, 17, Abigail, 13, and Jacob, 11.

Cell: 785.657.1396
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Agronomy moving forward in new and exciting ways



Dale Hazuka
Agronomy Manager

CHS is moving into new and exciting areas with our Autumn Rewards program. This is a 0% seed financing program on all soybeans and corn we represent. The reward program includes not only volume but also cash discounts with payment due January 15, 2016. Check with your local CHS/United Plains Ag agronomy division to see if you qualify.

The Precision Ag division of CHS/United Plains Ag had a successful year with very positive results coming in from the yield monitors off the combines. Lloyd Cersovsky is the division lead for this department but please inquire with your sales person to see how this would work on your farm. YieldPoint is bringing up new and cutting edge technology which not only helps the irrigated acres but the dry land acres too. In these challenging times it is not how much money you can save but how many bushels you can grow. A 15% increase in yield returns a 40% return on investment. More bushels will always result in a higher income than cutting back on inputs and expenses.

Mike Wetter is our new seed sales manager. He came to us from many years in the crop scouting industry and brings many years' experience. With him on our team, we can bring a more streamlined seed program and more profitability to our producers.

Our new dry shed in Sharon Spring is up and running and making a huge impact on the turnaround time when loading trucks. It also brings a more reliable and constant source for product. Sarah Strahler and Larry McDaniel are running the dry plant and doing a very good job keeping the product moving and supplying a huge customer support service.

Here in western Kansas and Eastern Colorado we have been very blessed with the fall harvest. For most of the area, producers have had a good harvest with some surprising yields coming off both irrigated and dry land acres. The drought guard hybrids have performed very well and we are looking forward to the future hybrids our seed suppliers will have. I do hope everybody had a safe harvest and we are looking forward to the coming year.

Together we can plan a safe and profitable 2015.



Put YieldPoint to work



Lloyd Cersovsky
Precision Ag

With commodity prices down and input prices up, now is the time to put YieldPoint Complete to work on your farm. By providing the services and information needed to help you make informed decisions, YieldPoint allows you to maximize your return on investment.

For the 2015 growing season, CHS/United Plains Ag has added the YieldPoint Water Optimization module.

YieldPoint Water Optimization is an integrated systems approach to managing irrigation. It enables you to maximize your water efficiency, increase your profitability, and conserve your natural resources. By applying water in the right amount, at the right time, in the right locations of the field based on soil water-holding capacity, active root zone of the crop, water needs of the crop, and weather (historical, current, and future), we can help you achieve your production goals.

Knowing when to irrigate and refill the profile can be a tricky decision, and if you guess wrong and run short on water, it can be costly. If you water too much, you can inhibit the plant's root development and ability to uptake nutrients from the soil. CHS YieldPoint Water Optimization helps make these decisions for you.

Let's take water optimization to the next level. YieldPoint Water Optimization gives CHS the ability to create variable rate irrigation prescriptions for your pivot. Depending on the hardware installed on the pivot, prescriptions can be created by degree sectors or zone managed.

Why is Water Optimization a concern? Consider these facts from a 2013 KSU study done on the Ogallala Aquifer for western Kansas.

- More than 80% of the water used in Kansas is for irrigation, and nearly 90% of that water is ground water drawn mostly from the Ogallala, most of which is non-renewable
- Almost 30% of the Ogallala has been depleted, largely due to widespread irrigation, drought, and low recharge rates
- Another 39% will be lost in the next 50 years at current pumping rates
- In areas of western Kansas as much as 60% is depleted
- Climatologists estimate that farmers face a 35% chance of severe drought in any decade and a 100% chance over the estimated 40 year working lifetime of a farmer

CHS/UPA has further positioned services to meet your needs. A new three product variable rate dry machine was added to the Burlington location. This has increased our footprint to better serve your needs. With a fleet of three multi-product and two single-product variable rate machines, additional tender equipment, and the dry fertilizer facility in Sharon Springs, CHS/UPA is positioned to meet all your dry fertilizer needs.

YieldPoint Precision Ag from CHS is designed to help you increase productivity and return on investment on your farm. Combined with an experienced agronomy and fertilizer staff, we are ready to serve your needs.

More new employees



Megan Daugherty joined the CHS Brewster office in March as a bookkeeper and office assistant. She is originally from Goodland and moved back to Goodland from Denver about a year ago.

Kim Dobson joined the CHS Colby team in September as office support for the CHS/United Plains Ag safety department. She moved to Colby in August and lives near Levant. Her fiancé is David Tole and she has two boys, Andrew, 23, and Nicholas, 19.



Thankful for the fall harvest

It was exciting to see such a strong fall harvest come into the elevators in spite of the dry planting conditions last spring. And though fall harvest is behind us, the work never slows at our facilities. We are still busy loading shuttle trains and moving grain.



Patrick Gibbs
Northern
Grain Division

Northern Grain Division

You would think once fall harvest ends, we would slow down in the Northern Grain Division, but that is no longer the case. Loading shuttle trains keeps us busy

through the winter months. Fall and winter is also a busy time for trucking corn and grain to local feedlots.

And even though wheat harvest is months behind us, we continue to see a steady flow of wheat coming in from the farm. That, along with bringing wheat and milo from other United Plains Ag elevators into our shuttle loading facility, keeps our facilities busy.

We continue to see the benefits of having a shuttle loading facility in this region. Our product is able to travel further to reach markets we would have never been able to reach before this facility was built. In 2012-2013, we loaded a total of 41 shuttle trains from the facility in Sharon Springs, with 14 loaded so far this year.

Thank you for your business this fall and we hope you continue to have a safe, productive fall and winter.



Dirk Schneider
Southern
Grain Division

Southern Grain Division

With such a dry spell during planting time last spring, we were worried what that might mean for fall crops so we were thrilled to see those fall crops coming into the elevator in the last few months. It takes many hours of preparation and training to get our facilities and employees ready for the faster pace of harvest. When we hire new help, we always make sure those new employees have the training they need to be safe in any situation. Each employee in our facilities has hours of training behind them. In April, we sent a new employee to a four-day training program because we are committed to being safe at our facilities. We hope you are being safe on your farms as well.

We also remain focused on helping you market the grain stored on your farms. United Plains Ag has an aggressive off-farm grain buying program. If you have grain stored on your farm, give us a call and find out how we can work with you to find the best solution for your operation.

Other tools can help market your grain as well. Our DPP program makes it easy for producers to sell grain whenever and wherever they are. Accounts are set up ahead of time. The program allows producers to set an automatic sell price so they don't have to constantly monitor prices. DPP does the monitoring for them. Call us or visit our website for more information.

Throughout the year, the Southern Grain Division continues its commitment to the community. Our employees continue to volunteer at the local food pantry, helping to unload supplies and gathering donations. Our commitment to the food pantry is a year-round project but we also focus on those activities more extensively in March with the CHS Harvest for Hunger campaign. Be watching for more information in the coming months as we sponsor local events to raise money for food pantries.

New grain employees



Jacob Ries
Sharon Springs
Started in May



Jim Kleymann
Tribune
Started in September

Be safe



*Robert Bieberle
Safety Specialist*

Safety on the farm needs to be taken very seriously. Watch out near the backs of trucks, trailers and grain carts. Never let children play behind any of this equipment. We need to work safely.

- Break up crusted grain from the outside of the bin with a long pole. When using a pole, check to see that it doesn't come into contact with electric lines.
- Wear a harness attached to a properly secured rope.
- Stay near the outer wall of the bin and keep walking if grain should start to flow. Get to the bin ladder as quickly as possible.
- Have another person (preferably two people) outside the bin who can help if you become entrapped. These people should be trained in rescue procedures.
- Make sure the person outside of the bin has cell phone reception and has emergency contact numbers.
- Grain fines and dust may cause difficulty breathing. Anyone working in a grain bin, especially for the purpose of cleaning the bin, should wear an appropriate dust mask.
- If it is necessary to enter the bin, remember to shut off power to augers and fans. It is a good idea to lock out any unloading equipment before you enter a bin to prevent someone from unintentionally starting the equipment while you are in the bin.
- Always check for bridged grain or grain that is stuck to the side of the bin before entering the bin.

With the holidays approaching, there could be many children on the farm who do not understand how dangerous grain bins and farm equipment can be. Let's make sure these children have a safe place to play and enjoy the holidays while at the family farm.



CHS/United Plains Ag truck drivers familiarize themselves with each and every customer's operation. When our drivers are on your farm, safety is the number one priority. Thank you to the men and women who make sure our patron's grain gets where it needs to go. (left to right) Judd Ramsey, Alan Archer, Antonio Saenz, Macrino Yanez, Ralph Mitchell, Kendra Ramsey, Anthony Bremenkamp, Eugene Woods and Johnny Maupin.

On-farm grain and logistics

Eric Starns, Grain Division

United Plains Ag has worked hard to give our patrons options to sell grain stored on farm. We have simple, easy to understand contracting options that Steve Younger, Eric Starns or any of our location managers can explain. Our truck driving team is made up of local employees and they are also very familiar with farm operations.

Forward contracting options include HTA (hedge to arrive), Priced (futures + basis) or Basis. These contracts can be used nearby and deferred. UPA contracts are easy to use and fit almost any circumstance. Steve and Eric are easy to contact and would be happy to discuss market trends and contracting opportunities.

We have continued to grow our truck fleet and hire quality drivers. Many of our drivers have worked for United Plains Ag for many years and have familiarized themselves with customer bin site locations and operations. You can be assured when our trucks and drivers are on your farm, safety will be the number one priority. Our drivers have participated in numerous safety training events and are always continuing their safety education. We pride ourselves on communicating with our customers, being punctual and presentable.

Grain quality is high priority when storing grain. Moisture and air volume are important factors to consider insuring a marketable product. Improperly stored grain can lead to heat damage and bug infestation. Our location managers can offer advice on this topic.

Please give us an opportunity to prove we care about your bottom line. We look forward to serving you soon.



UNITED PLAINS AG

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Happy Holidays
from
CHS/Unitd Plains Ag!



Front row (l. to r.): Lindy Bilberry, Kelsie Hoss, Gylee Martin, Emily Clark.
Back row (l. to r.): Nick Wineinger, Kyle Anderson, Dave Lemke – Market Development Manager of CHS, Inc, and John Bergkamp at the K-State Agricultural Economics Awards Banquet, September 26, 2014. Not pictured: Elizabeth Allen.

Local grad earns CHS scholarship

Kelsie Hoss of Sharon Springs recently earned a 2014-2015 CHS University Scholarship. She is senior majoring in Animal Science and Industry at Kansas State University. Kelsie works as a tutor and has worked at United Plains Ag. Her dad, Dalton Hoss, is a former employee of United Plains Ag. Kelsie completed a semester abroad experience in the Czech Republic and plans to attend graduate school where she will study virology.

CHS University Scholarships are one way the CHS regional cooperative is giving back to future agricultural leaders at Kansas State University. Other students who received scholarships were Elizabeth Allen, Kyle Anderson, John Bergkamp, Lindy Bilberry, Emily Clark, Gylee Martin and Nicholas Wineinger.

To be eligible for the scholarship, the students must be U.S. citizens or legal residents properly enrolled as a sophomore,

junior or senior during the current academic year majoring in an agriculture-related undergraduate program. Students can reapply annually. Preference is given to those students who have shown an interest in cooperatives through completing a course on cooperatives or a course covering cooperative business structure or by completing an internship or aspiring to work with a cooperative. Students must have strong academic and leadership skills.