

Border Valley News

March 28, 2008

Sudan Update:

Growers in the Imperial Valley have been busy planting sudan now that wheat planting has been completed. Farmers are currently planting sudan into fields that have previously been planted with vegetable crops.



Carrots are now being harvested as well, and some of this farm land will also be planted with sudan. Sugar beet harvest will start on April 1st, and growers will have the option to plant sudan following harvest of sugar beets. Some growers have indicated they will plant sudan as they complete harvest of carrots and sugar beets.

As the prospects look good for demand of sudan, growers have indicated their intentions to plant sudan after harvesting wheat.

With over 110,000 acres of wheat planted in the Imperial Valley this season, there will be good opportunity for farmers to plant more sudan after wheat harvest than we have seen in previous years.

We have been hearing from our customers who are concerned that due to heavy plantings of wheat this season, acres of sudan will be limited this growing season. Our feeling is there will be quite a bit of sudan planted this year due to potentially strong demand from the export market as well as a strong domestic alfalfa market which will help domestic demand of



sudan.

In previous years that there have been many acres of wheat grown in the Imperial Valley, we actually see increase in acres planted too

as this rotation works very well for farmers. We expect this trend to continue this season as well.

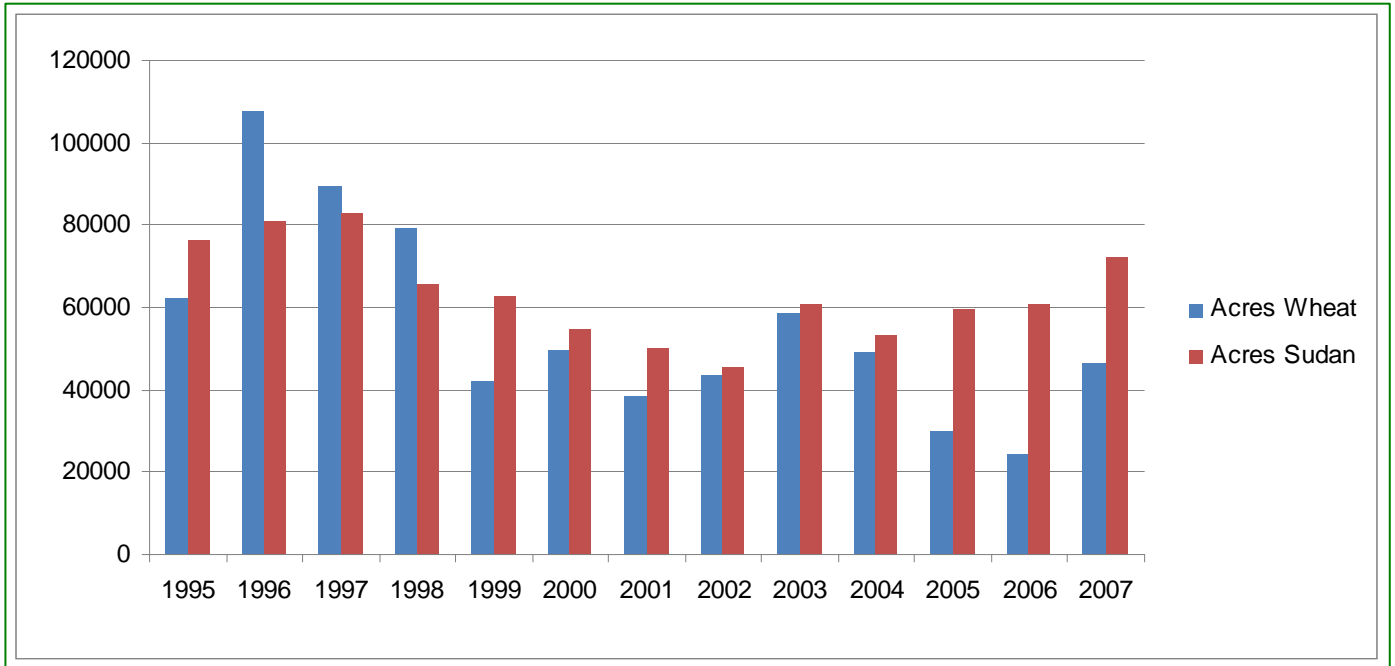
With the announcement in December by the Imperial Irrigation District that there would not be any allocating of water in the 2008 growing season, this is also very good news that leads us to believe there will be a lot of sudan planted in the Imperial Valley this season.



This season we will see less sudan planted early, but as the harvest of carrots, sugar beets and wheat progress, the rate of sudan planting will also increase. It is still very early in the growing season and it is important to understand that the reported acres of sudan planted thus far is not a good indication of what we expect.

Sudan / Wheat Comparison

| YEAR | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Wheat | 62,117 | 107,784 | 89,635 | 79,405 | 42,345 | 49,617 | 38,546 | 43,583 | 58,769 | 49,146 | 30,152 | 24,308 | 46,482 |
| Sudan | 76,534 | 81,129 | 82,774 | 65,456 | 62,998 | 54,831 | 49,936 | 45,498 | 60,880 | 53,269 | 59,428 | 60,957 | 72,003 |



Imperial Valley Weather

| MAR 28 | MAR 29 | MAR 30 | MAR 31 | APR 01 |
|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|
| Sunny | Sunny/Wind | Mostly Sunny/Wind | Sunny | Partly Cloudy |
| High: 32° Low: 14° | High: 29° Low: 12° | High: 26° Low: 7° | High: 27° Low: 11° | High: 28° Low: 11° |

Modesto Weather

| MAR 28 | MAR 29 | MAR 30 | MAR 31 | APR 01 |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| Partly Cloudy | Partly Cloudy | Sunny | Partly Cloudy | Few Showers |
| High: 20° Low: 9° | High: 21° Low: 6° | High: 21° Low: 3° | High: 23° Low: 7° | High: 21° Low: 9° |