

Gene Erpelding

Chief Executive Officer, Allied Energy, Allied Grain, Allied Agronomy

These are exciting times in agriculture and certainly for your Energy and Agronomy companies. With the right team of employees, we are able to bring you leading edge technology at very competitive prices supported by quality products and services. We work closely with Winfield a division of Land O' Lakes to keep the best hybrids of seed and leading crop protection products on your land. Make sure you are using our highly trained agronomist to keep your farming operation ahead of the "cure" maximizing yields off of every acre you farm. Your Energy company is geared up to serve you with premium quality fuels, tires, auto parts, heating and air conditioning products and services to meet your everyday needs. They also carry one of the best lines of yard care equipment with the Gravelly line of mowers. Golf carts and Aluma trailers are also an

important part of our business serving your recreational needs.

As we start a new year (September 1 – August 31) in your Energy and Agronomy companies we also bring in 3 new locations, an aggressive team of new employees and a new business line. This will be Allied Energy's first venture into the grain business serving customers in Eddie and Foster counties though locations in Barlow and Bremen, we also have an NH3 business in Cathay. These locations will expand our business footprint to the north supporting our Jamestown location and operations in Oberon and Sheyenne.

To make all this happen we have set up regions, Dustin Jackson will be the General Manager of our northern region Agronomy locations north of I-94 and Jared Nitschke will be the General Manager of our southern region

Agronomy locations south of I-94. Joe Solinger will be the General Manager of our Grain Division (Allied Grain). Matt Mathern will manage Allied Energy in Edgeley and Gordon Irion will continue to manage our Kulm Energy Business. These changes will allow us to grow through strong location management with ongoing emphasis on customer service.

We look forward to serving your Grain, Agronomy and Energy needs as we continue to grow and build a financially strong diversified company for you.



Jay Mathern

Allied Energy Board Chairman

The dog days of summer make for a great opportunity to reflect on "what just happened?" This is no different in our personal lives than it is in your local co-op.

As you know your Board of Directors is always looking for opportunities to grow and or improve your co-op. This year has been a very exciting year for both.

February:

- Pursued an opportunity for our agronomy company with Sheyenne Equity Elevator

April:

- Agreed to purchase a 2012 5000 gallon Freightliner fuel truck to support the growth in our bulk fuel business

May:

- Started talks with Barlow Grain about a potential merger

July:

- Finalized merger with Barlow Grain effective September 1, 2011

We think these additions and expansions will help position your co-op to be stronger today and into the future. Wishing you all a safe and prosperous fall season!!



Joe Solinger

Allied Grain General Manager

Harvest 2011 is underway, FINALLY! After a wet spring and wetter summer we are all ready for a little dust to fly. Although the wet year has kept a lot of things in check, we have all been busy. While you, the grower, were planting around sloughs, at the elevator we were running our cleaner, separating mixed grain. When you were spraying chemical we were sweeping bins. While you went back and seeded the sloughs, we cleaned up the facilities. As you watched it rain and started thinking you might not make "Knee high by the 4th", we started thinking we might not get all of our bins empty before harvest. This year has been a battle all the way around, but things are looking up.

We have taken advantage of the rainy days and slower times to strengthen the foundation of our company. From equipment repairs to employee training we

have worked hard to ensure a strong future for our company. At Barlow Grain we are very excited about our new partnership with Allied Energy. As we move forward with Allied you will notice some changes here and there, although our core business will remain much the same. Thank you for your continued business and support. The employees of Allied Grain look forward to serving our customers for years to come.

Allied Grain is a full service grain company with locations in Barlow and Bremen, ND. Both locations feature agronomy supported by Allied Agronomy. We offer services to our customers year round from fertilizer, seed and chemical to grain marketing programs such as Hedge-to-Arrive, Delayed Pricing, Basis, and Cash Contracts. Call us today to find out what Allied Grain can do for you.

Blaine Lundgren

Allied Agronomy Board Chairman

Allied Agronomy has had a busy, challenging and exciting past 6 months with new additions and an expanded trade area. Sheyenne Equity Elevator and Allied Agronomy joined forces by combining their agronomy services in April. Most recently with an effective date of September 1, Barlow Grain will merge into Allied Energy bringing the

agronomy services into Allied Agronomy. These new additions have expanded our trade territory from Monango to Oberon North Dakota. With our state of the art facility in Jamestown that opened in April, we will be positioned to serve our members well into the future.

Since 2001 Allied Agronomy's sales

have grown from 3.2 million to 27 million in 2011. On behalf of the Allied Agronomy Board of Governors we appreciate your support and look forward to many more successful years of partnership with you our member owners.

Jared Nitschke

Southern Territory General Manager

With crops once again coming off the field, many of you are starting to think about the 2012 spring season. Time has seemed to go exceptionally fast for the 2011 growing season due to shortened, rushed spring planting along with other weather and insect related events. If you are beginning to look into fall fertilizing or looking ahead into next year's planting season, Allied Agronomy and its entire agronomy staff will be proud to assist you in your planning.

The planning may consist of fall burn down needs to prepare for this fall's winter wheat crop or maybe next year's troublesome weeds. One thing to remember is that fall is one of the best times to control some of the tough weeds that are hard to control in the spring, such as dandelions. The planning may also consist of seed treating winter wheat, walking through plots to look at new hybrids and varieties, or sitting down to plan out some variable rate fertilizer and seeding maps for this fall or next spring.

Allied Agronomy is excited to roll out the new R7 Tool which is provided to us through Winfield. In 2011 Allied Agronomy was involved in a pilot program using the R7 Tool to write prescriptions for variable rate seeding maps and variable rate fertilizer maps. With good success in the pilot program we are looking forward to the actual launch of the R7 Tool in early September. There have been some noble features added to the tool that will enable producers and Allied Agronomy to be better prepared for

the year to come. With favorable commodity prices along with added demand from outside markets, urea could be pushed to elevated prices. Increased inputs are on everyone's mind so the R7 tool will play an important role in placing the nutrients in the precise areas of the field to push productivity where we can. In the areas of the field where productivity can be limited to other factors, we can also limit the amount of nutrients placed in that specific area. I encourage everyone to stop in at any of our locations to take a look at the R7 tool and the imagery we can generate for a particular field on your farm. We will have exclusive access to satellite imagery dating back almost twenty years with insight into every acre. The R7 tool will also tie into the Answer Plot system of bringing that specific data on hybrids and how each responds to the nitrogen rate applied and how that hybrid will respond to different populations.

All of us at Allied Agronomy again want to thank you for your past and current business and look forward to helping you in any way we can in the future. We also want to wish everyone a safe and productive harvest season and hope Mother Nature will alleviate some of our added stress.



I am Luke Ziegelman. I grew up on a crop farm outside of Jamestown, ND and helped my parents with the farming. I graduated from North Dakota State University in May 2011 with a degree in Crop and Weed Science and a minor in Agricultural Economics. While going to NDSU, I was part of the FarmHouse Fraternity and helped on the farm whenever possible.



Dustin Jackson

Northern Territory General Manager

Even though the calendar says fall is still a couple weeks away, we all received an abrupt reminder this past Labor Day weekend when we stepped out of the house on an early morning to forty degree temperatures that summer is officially behind us.

Looking back on this past spring and summer, it is easy to remember the challenges that our customers and our employees faced: late spring, less than ideal field conditions, roads, storms and rain. Yet through it all, Allied Agronomy came out a stronger company for our patrons. We saw the completion of our Jamestown Warehouse and Bulk Seed facility just in time for spring to show up. We entered the Sheyenne area and began the process of offering first class agronomic services to a great group of customers. And we just currently added the Barlow and Bremen locations and look forward to working with and earning the trust of that customer base.

Looking forward, Allied Agronomy is focused on growing our core locations business while growing in our expanded locations. We will be positioned with the right equipment and people to offer the service that our customers desire and deserve. We have plans for upgrades at several locations, and service equipment will be added where needed. We are excited about the opportunities moving forward in our new locations.

In the fertilizer world, commodity prices and the economy have contributed to a lot of uncertainty and volatility in the crop nutrient markets. Weather factors have also influenced markets and have affected supplies from our backyard to the gulf. Risk management will be key to being profitable in the future, both for Allied Agronomy and our customers. We are positioned well for all of your fall crop nutrient needs, and will be offering spring fertilizer contracts soon.

Fall spraying is upon us, and this spring many of our customers saw the value in a fall crop protection program. Fall is the best time to address troublesome weeds, and our agronomists are ready to provide the solutions for your specific management needs.

The introduction of the R7 place-

ment tool adds a unique service to our precision offering. This tool will aid our agronomists and customers in the very best placement of corn hybrids and soybean varieties in addition to planting rates and nutrient needs. As the need for these technologies increase, Allied Agronomy will be ready to provide you with the best in variable rate seed and fertilizer services.

Moving forward into 2012, it is important to look back on where we started. Allied Agronomy has seen tremendous growth, change, and challenges since its beginnings of a \$3M company. It is important to give a big "Thank You" to all of our customers. Allied Agronomy and its employees will strive to earn the right to do business with you in 2012. Have a safe and productive harvest.



I am Nick Smith. I recently graduated from NDSU in May of 2011 with a degree in Crop and Weed Sciences. I grew up in Carrington, ND. My free time is spent in the outdoors hunting, fishing, and snowmobiling. I have always had a passion for agriculture which was sparked when I was young and helping out on my grandfather's farm. Agriculture is an exciting field to be in and I am excited to be a part of it.



Edgeley Answer Plot®

Tuesday, September 20
3 miles west of Edgeley

Adrian Plot

Wednesday, September 21
7 miles east of 281 on Hwy 46 & 1.5 miles south on Adrian Pavement

Gackle Plot

Thursday, September 22
6 miles east of Gackle on Hwy 46-west of Kevin Ova's farm

All plots begin at 5pm. We will have lots of door prizes and a steak supper. Hope to see you there!!
If you have any questions call Sonny at 493-1902 or email sonny@alliedag.com

