

Sheep Production

West Central Texas (7)

1998 Projected Costs and Returns per Animal Unit (6 Ewes)

PRODUCTION Description	Quantity	Unit	\$ / Unit	Return	Your Estimate
CULL EWES	0.85Hd	100.000 lb.	0.4100	34.85	_____
DEER LEASE	16.000	acre	2.5000	40.00	_____
LAMBS	4.00Hd	70.000 lb.	0.8700	243.60	_____
WOOL	42.500	lb.	1.5000	63.75	_____

Total GROSS Income 382.20

OPERATING INPUT or CUSTOM OPERATION

Description	Input Use	Unit	\$ / Unit	Cost
MARKETING SHEEP	4.850	head	0.600	2.91
MISC. EXPENSE SHEEP	12.000	\$	1.000	12.00
RANGE CUBES	375.000	lb.	0.120	45.00
SHEARING SHEEP	7.500	head	1.500	11.25
VET. MEDICINE SHEEP	1.000	head	8.000	8.00
Fuel				5.48
Lube				0.55
Repair				2.15

Total OPERATING INPUT and CUSTOM OPERATION Costs 87.33

Residual returns to capital, ownership labor, land, management, and profit 294.87

CAPITAL INVESTMENT Description	Quantity Invested	Unit	Rate of Return	Cost
Interest - IT Borrowed	1008.193	Dol.	0.100	100.82
Interest - OC Borrowed	112.179	Dol.	0.100	11.22

Total CAPITAL INVESTMENT Costs 112.04

Residual returns to ownership, labor, land, management, and profit 182.83

OWNERSHIP COST Description (Depreciation, Taxes, and Insurance)	Cost
Machinery and Equipment	31.31
Livestock	2.59

Total OWNERSHIP Costs 33.91

Residual returns to labor, land, management, and profit 148.92

LABOR COST Description	Input Use	Unit	Average Rate	Cost
Machinery and Equipment	3.459	Hr.	6.001	20.75
Other	9.320	Hr.	5.600	52.19

Total LABOR Costs 72.95

Residual returns to land, management, and profit 75.98

LAND COST Description	Input Use	Unit	Rate of Return	Cost
PASTURE RENT Annual Lease	16.000	Acre	8.000	128.00

Total LAND Costs 128.00

Residual returns to management and profit -52.02

-WARNING- No Management Cost Specified

Residual returns to profit -52.02

Total Projected Cost of Production 434.22

100% lamb crop, 1 ram to 33 ewes, 3% death loss, 20% replacement rate.

Sheep Production
 West Central Texas (7)
 1998 Projected Costs and Returns per Animal Unit (5 ewes)

GROSS INCOME Description	Quantity	Unit	\$ / Unit	Total	Your Estimate
CULL EWES	0.85Hd	100.000	lb.	0.4100	34.85
DEER LEASE		16.000	acre	2.5000	40.00
LAMBS	4.00Hd	70.000	lb.	0.8700	243.60
WOOL		42.500	lb.	1.5000	63.75
Total GROSS Income				382.20	

VARIABLE COST Description	Quantity	Unit	\$ / Unit	Total
MISC. EXPENSE	1.000	\$	1.000	1.00
VET. MEDICINE	0.333	head	8.000	2.66
MISC. EXPENSE	1.000	\$	1.000	1.00
MISC. EXPENSE	1.000	\$	1.000	1.00
VET. MEDICINE	0.333	head	8.000	2.66
RANGE CUBES	30.000	lb.	.120	3.60
MISC. EXPENSE	1.000	\$	1.000	1.00
MISC. EXPENSE	1.000	\$	1.000	1.00
MISC. EXPENSE	1.000	\$	1.000	1.00
MISC. EXPENSE	1.000	\$	1.000	1.00
MISC. EXPENSE	1.000	\$	1.000	1.00
RANGE CUBES	100.000	lb.	.120	12.00
MISC. EXPENSE	1.000	\$	1.000	1.00
RANGE CUBES	100.000	lb.	.120	12.00
MISC. EXPENSE	1.000	\$	1.000	1.00
RANGE CUBES	100.000	lb.	.120	12.00
SHEARING	7.500	head	1.500	11.25
MISC. EXPENSE	1.000	\$	1.000	1.00
RANGE CUBES	45.000	lb.	.120	5.40
VET. MEDICINE	0.333	head	8.000	2.66
MISC. EXPENSE	1.000	\$	1.000	1.00
MARKETING	4.850	head	.600	2.91
Fuel & Lube - Machinery		Acre		6.02
Repairs - Machinery		Acre		2.15
Labor - Machinery	3.459	Hour	6.001	20.75
- Other	9.320	Hour	5.600	52.19
Interest - OC Borrowed	112.179	Dol.	0.100	11.22
Total VARIABLE COST				171.50

GROSS INCOME minus VARIABLE COST 210.70

FIXED COST Description	Unit	Total
Machinery and Equipment	Acre	71.06
Livestock		63.67
Land	Acre	128.00

Total FIXED Cost 262.73

Total of ALL Cost 434.22

NET PROJECTED RETURNS -52.02

100% lamb crop, 1 ram to 33 ewes, 3% death loss, 20% replacement rate.

Information presented is prepared solely as a general guide and is not intended to recognize or predict the costs and returns from any one particular farm or ranch operation. These projections were collected and developed by staff members of the Texas Agricultural Extension Service and approved for publication.