

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Roundup Ready Canola, Sprinkler Irrigated (NG) - 122 Acres**  
**Panhandle Extension District - 1**

Crop Acres		122		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Canola	22.00	CWT	\$19.38	\$426.36	\$52,015.92
<b>Total Revenue</b>				<b>\$426.36</b>	<b>\$52,015.92</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
<b>Seed</b>					
Seed - Roundup Ready Canola	5	Pound	\$6.61	\$33.06	\$4,033.69
Seed Treatment - Canola	1	Acre	\$6.49	\$6.49	\$791.66
<b>Fertilizer</b>					
Fertilizer (N) - Dry	30	Pound	\$0.47	\$14.10	\$1,720.20
Fertilizer (N) - Liquid	60	Pound	\$0.64	\$38.40	\$4,684.80
<b>Herbicide</b>					
Herbicide and Apply Canola	1	Acre	\$14.35	\$14.35	\$1,750.91
<b>Insecticide</b>					
Insecticide and Apply Canola Irrigat	1	Acre	\$23.52	\$23.52	\$2,869.53
<b>Custom</b>					
Fertilizer Application	1	Acre	\$5.50	\$5.50	\$671.00
Custom Harvest - Canola Irrigated	1	Acre	\$23.52	\$23.52	\$2,869.14
Custom Haul - Canola	22	CWT	\$0.42	\$9.22	\$1,125.20
<b>Irrigation</b>					
Energy or Water Cost	10.00	AcreInch	\$4.30	\$43.00	\$5,246.00
Irrigation Labor	0.64	Hour	\$11.75	\$7.52	\$917.44
<b>Machinery Labor</b>					
Tractors/Self-Propelled	1.09	Hour	\$11.75	\$12.81	\$1,562.52
<b>Diesel Fuel</b>					
Tractors/Self-Propelled	2.46	Gallon	\$3.28	\$8.07	\$984.39
<b>Gasoline</b>					
Pickup/General Use Equipment	1	Acre	\$6.66	\$6.66	\$812.50
<b>Repairs &amp; Maintenance</b>					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$40.40	\$40.40	\$4,928.80
Tractors/Self-Propelled	1	Acre	\$8.41	\$8.41	\$1,026.55
Implements	1	Acre	\$11.12	\$11.12	\$1,356.19
Interest on Credit Line			4.75%	\$7.42	\$905.58
<b>Total Variable Costs</b>				<b>\$316.08</b>	<b>\$38,562.08</b>
Planned Returns Above Variable Costs:				\$110.28	\$13,453.84
Breakeven Price to Cover Variable Costs			\$14.37 CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>					
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment	1	Acre	\$22.50	\$22.50	\$2,745.60
Tractors/Self-Propelled	1	Acre	\$8.23	\$8.23	\$1,004.37
Implements	1	Acre	\$13.76	\$13.76	\$1,678.30
<b>Equipment Investment</b>					
Pickup/General Use Equipment	\$31.35	Dollars	5.25%	\$1.65	\$200.81
Irrigation Equipment	\$703.28	Dollars	5.25%	\$36.92	\$4,504.50
Tractors/Self-Propelled	\$92.95	Dollars	5.25%	\$4.88	\$595.33
Implements	\$107.00	Dollars	5.25%	\$5.62	\$685.31
Cash Rent - Canola Irrigated	1	Acre	\$85.00	\$85.00	\$10,370.00
<b>Total Fixed Costs</b>				<b>\$181.19</b>	<b>\$22,105.53</b>
<b>Total Specified Costs</b>				<b>\$497.28</b>	<b>\$60,667.62</b>
Returns Above Specified Costs				<b>(\$70.92)</b>	<b>(\$8,651.70)</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$22.60 CWT</b>		

Example Breakeven Prices						
Example Yield Percent	Example Yield CWT	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	16.50	\$19.16	\$19.16	\$30.14	\$30.14	\$0.00
90%	19.80	\$15.96	\$15.96	\$25.11	\$25.11	\$0.00
100%	22.00	\$14.37	\$14.37	\$22.60	\$22.60	\$0.00
110%	24.20	\$13.06	\$13.06	\$20.55	\$20.55	\$0.00
125%	27.50	\$11.49	\$11.49	\$18.08	\$18.08	\$0.00

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension.

**Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.**