

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Peanuts, Runner, Sprinkler Irrigated - 122 Acres
Panhandle Extension District - 1

Crop Acres		122				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Peanuts - Runner		2.25	Ton	\$465.00	\$1,046.25	\$127,642.50
Total Revenue					\$1,046.25	\$127,642.50
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
	Seed - Peanut	100	Pound	\$0.96	\$95.79	\$11,686.38
	Innoculant Peanut	1	Acre	\$7.21	\$7.21	\$879.62
Fertilizer						
	Fertilizer (P) - Dry	50	Pound	\$0.52	\$26.00	\$3,172.00
	Fertilizer (N) - Dry	80	Pound	\$0.47	\$37.60	\$4,587.20
Herbicide						
	Herbicide - Peanut	1	Acre	\$17.45	\$17.45	\$2,128.71
Insecticide						
	Insecticide and Apply Peanut	1	Application	\$9.85	\$9.85	\$1,202.12
Fungicides						
	Fungicide and Apply Peanut	1	Application	\$15.73	\$15.73	\$1,919.24
	Fungicide and Apply Peanut	1	Application	\$15.73	\$15.73	\$1,919.24
	Fungicide and Apply Peanut	1	Application	\$15.73	\$15.73	\$1,919.24
Miscellaneous						
	Crop Insurance Peanuts - Irrigated	1	Acre	\$12.67	\$12.67	\$1,545.98
Custom						
	Fertilizer Application	1	Acre	\$5.50	\$5.50	\$671.00
	Dig and Shake	1	Acre	\$25.00	\$25.00	\$3,050.00
	Harvest and Haul - Peanuts	2.25	Ton	\$51.13	\$115.03	\$14,033.81
	Drying - Peanuts	2.25	Ton	\$24.71	\$55.61	\$6,783.94
Irrigation						
	Energy or Water Cost	21.00	AcreInch	\$4.30	\$90.30	\$11,016.60
	Irrigation Labor	1.34	Hour	\$11.75	\$15.79	\$1,926.62
Other Labor						
	Hoeing - Peanut	1	Acre	\$18.09	\$18.09	\$2,206.74
Machinery Labor						
	Tractors/Self-Propelled	3.59	Hour	\$11.75	\$42.18	\$5,146.27
Diesel Fuel						
	Tractors/Self-Propelled	8.87	Gallon	\$3.28	\$29.09	\$3,549.42
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$6.66	\$6.66	\$812.50
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
	Irrigation Equipment	1	Acre	\$84.84	\$84.84	\$10,350.48
	Tractors/Self-Propelled	1	Acre	\$29.34	\$29.34	\$3,579.97
	Implements	1	Acre	\$38.52	\$38.52	\$4,699.02
	Interest on Credit Line			4.75%	\$14.69	\$1,792.28
Total Variable Costs					\$826.92	\$100,884.38
Planned Returns Above Variable Costs:					\$219.33	\$26,758.12
Breakeven Price to Cover Variable Costs				\$367.52	Ton	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	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	\$29.49	\$29.49	\$3,597.32
	Implements	1	Acre	\$44.18	\$44.18	\$5,389.54
Equipment Investment						
	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	\$332.91	Dollars	5.25%	\$17.48	\$2,132.28
	Implements	\$343.60	Dollars	5.25%	\$18.04	\$2,200.73
	Cash Rent - Peanuts	1	Acre	\$140.00	\$140.00	\$17,080.00
Total Fixed Costs					\$312.89	\$38,172.08
Total Specified Costs					\$1,139.81	\$139,056.46
Returns Above Specified Costs					(\$93.56)	(\$11,413.96)
Breakeven Price to Cover Total Costs				\$506.58	Ton	

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	1.69	\$490.03	\$490.03	\$675.44	\$675.44	\$0.00
90%	2.03	\$408.36	\$408.36	\$562.87	\$562.87	\$0.00
100%	2.25	\$367.52	\$367.52	\$506.58	\$506.58	\$0.00
110%	2.48	\$334.11	\$334.11	\$460.53	\$460.53	\$0.00
125%	2.81	\$294.02	\$294.02	\$405.26	\$405.26	\$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.