

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Continuous Wheat, Furrow Irrigated (NG) - 122 Acres
Panhandle Extension District - 1

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Wheat	60.00	Bushel	\$6.58	\$394.80	\$48,165.60	
Grazing - Wheat	136.00	Pound	\$0.60	\$81.60	\$9,955.20	
Total Revenue				\$476.40	\$58,120.80	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Seed						
Seed - Wheat	1.2	Bushel	\$23.80	\$28.56	\$3,484.80	
Fertilizer						
Fertilizer (N) - ANH3	60	Pound	\$0.38	\$22.80	\$2,781.60	
Fertilizer (P) - Liquid	40	Pound	\$0.79	\$31.60	\$3,855.20	
Fertilizer (N) - Liquid	30	Pound	\$0.64	\$19.20	\$2,342.40	
Insecticide						
Insecticide and Apply Wheat	1	Acre	\$9.15	\$9.15	\$1,116.71	
Miscellaneous						
Crop Insurance Wheat Irrigated	1	Acre	\$22.94	\$22.94	\$2,799.17	
Custom						
Fertilizer Application - ANH3	1	Acre	\$11.75	\$11.75	\$1,433.50	
Harvest and Haul - Wheat Irrigated	60	Bushel	\$0.59	\$35.40	\$4,318.80	
Irrigation						
Energy or Water Cost	17.50	AcreInch	\$4.30	\$75.25	\$9,180.50	
Irrigation Labor	2.46	Hour	\$11.75	\$28.86	\$3,520.68	
Machinery Labor						
Tractors/Self-Propelled	1.22	Hour	\$11.75	\$14.34	\$1,748.87	
Diesel Fuel						
Tractors/Self-Propelled	2.9	Gallon	\$3.28	\$9.51	\$1,160.46	
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	\$69.35	\$69.35	\$8,460.35	
Tractors/Self-Propelled	1	Acre	\$9.50	\$9.50	\$1,159.54	
Implements	1	Acre	\$11.79	\$11.79	\$1,438.47	
Interest on Credit Line			4.75%	\$10.46	\$1,276.32	
Total Variable Costs				\$419.64	\$51,195.86	
Planned Returns Above Variable Costs:				\$56.76	\$6,924.94	
Breakeven Price to Cover Variable Costs			\$5.63	Bushel		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30	
Irrigation Equipment	1	Acre	\$14.42	\$14.42	\$1,759.40	
Tractors/Self-Propelled	1	Acre	\$9.36	\$9.36	\$1,141.80	
Implements	1	Acre	\$14.52	\$14.52	\$1,770.87	
Equipment Investment						
Pickup/General Use Equipment	\$31.35	Dollars	5.25%	\$1.65	\$200.81	
Irrigation Equipment	\$379.51	Dollars	5.25%	\$19.92	\$2,430.75	
Tractors/Self-Propelled	\$105.67	Dollars	5.25%	\$5.55	\$676.79	
Implements	\$112.90	Dollars	5.25%	\$5.93	\$723.11	
Cash Rent - Wheat Irrigated	1	Acre	\$85.00	\$85.00	\$10,370.00	
Total Fixed Costs				\$158.97	\$19,394.83	
Total Specified Costs				\$578.61	\$70,590.69	
Returns Above Specified Costs					(\$102.21)	(\$12,469.89)
Breakeven Price to Cover Total Costs			\$8.28	Bushel		

Example Breakeven Prices						
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	45.00	\$7.51	\$7.51	\$11.04	\$11.04	\$0.00
90%	54.00	\$6.26	\$6.26	\$9.20	\$9.20	\$0.00
100%	60.00	\$5.63	\$5.63	\$8.28	\$8.28	\$0.00
110%	66.00	\$5.12	\$5.12	\$7.53	\$7.53	\$0.00
125%	75.00	\$4.51	\$4.51	\$6.63	\$6.63	\$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.