

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

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Wheat	65.00	Bushel	\$6.58	\$427.70	\$52,179.40	
Grazing - Wheat	136.00	Pound	\$0.60	\$81.60	\$9,955.20	
Total Revenue				\$509.30	\$62,134.60	
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	65	Bushel	\$0.59	\$38.35	\$4,678.70	
Irrigation						
Energy or Water Cost	15.00	AcreInch	\$4.30	\$64.50	\$7,869.00	
Irrigation Labor	0.96	Hour	\$11.75	\$11.28	\$1,376.16	
Machinery Labor						
Tractors/Self-Propelled	1.09	Hour	\$11.75	\$12.81	\$1,562.52	
Diesel Fuel						
Tractors/Self-Propelled	2.46	Gallon	\$3.28	\$8.07	\$984.39	
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	\$60.60	\$60.60	\$7,393.20	
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%	\$9.30	\$1,134.76	
Total Variable Costs				\$379.62	\$46,313.34	
Planned Returns Above Variable Costs:				\$129.68	\$15,821.26	
Breakeven Price to Cover Variable Costs			\$4.58	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	\$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	
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	\$92.95	Dollars	5.25%	\$4.88	\$595.33	
Implements	\$107.00	Dollars	5.25%	\$5.62	\$685.31	
Cash Rent - Wheat Irrigated	1	Acre	\$85.00	\$85.00	\$10,370.00	
Total Fixed Costs				\$181.19	\$22,105.53	
Total Specified Costs				\$560.81	\$68,418.87	
Returns Above Specified Costs					(\$51.51)	(\$6,284.27)
Breakeven Price to Cover Total Costs			\$7.37	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%	48.75	\$6.11	\$6.11	\$9.83	\$9.83	\$0.00
90%	58.50	\$5.09	\$5.09	\$8.19	\$8.19	\$0.00
100%	65.00	\$4.58	\$4.58	\$7.37	\$7.37	\$0.00
110%	71.50	\$4.17	\$4.17	\$6.70	\$6.70	\$0.00
125%	81.25	\$3.67	\$3.67	\$5.90	\$5.90	\$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.