

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Irrigated Runner Peanuts - 122 Acres
Southwest Extension District - 10

Crop Acres		122				Enterprise
		Quantity	Units	\$/Unit	Total	Total
REVENUE						
Peanuts		40.00	CWT	\$23.75	\$950.00	\$115,900.00
Total Revenue					\$950.00	\$115,900.00
VARIABLE COSTS						
		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
	Peanut Seed	85	Pound	\$0.65	\$55.25	\$6,740.50
	Peanut Seed Treatment	1	Acre	\$5.91	\$5.91	\$721.02
Herbicide						
	Trifluralin	1	Pint	\$3.25	\$3.25	\$396.50
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	Glyphosate	1	Pint	\$2.25	\$2.25	\$274.50
Custom						
	Haul Peanuts	2	Ton	\$10.50	\$21.00	\$2,562.00
	Dry Peanuts	2	Ton	\$24.00	\$48.00	\$5,856.00
Irrigation						
	Energy or Water Cost	520.36	kWh	\$0.18	\$93.67	\$11,427.18
Machinery Labor						
	Tractors/Self-Propelled	2.61	Hour	\$12.00	\$31.32	\$3,821.04
Diesel Fuel						
	Tractors/Self-Propelled	22.12	Gallon	\$2.85	\$63.04	\$7,691.12
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$32.93	\$32.93	\$4,017.80
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$819.96
	Irrigation Equipment	1	Acre	\$5.42	\$5.42	\$661.24
	Tractors/Self-Propelled	1	Acre	\$7.53	\$7.53	\$918.16
	Implements	1	Acre	\$11.87	\$11.87	\$1,448.03
	Interest on Credit Line			6.50%	\$5.15	\$628.61
Total Variable Costs					\$396.56	\$48,380.17
Planned Returns Above Variable Costs:					\$553.44	\$67,519.83
Breakeven Price to Cover Variable Costs					\$9.91	CWT
FIXED COSTS						
		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$3,074.85
	Irrigation Equipment	1	Acre	\$46.33	\$46.33	\$5,652.72
	Tractors/Self-Propelled	1	Acre	\$32.56	\$32.56	\$3,972.66
	Implements	1	Acre	\$16.81	\$16.81	\$2,051.06
Equipment Investment						
	Pickup/General Use Equipment	\$168.02	Dollars	6.50%	\$10.92	\$1,332.44
	Irrigation Equipment	\$695.01	Dollars	6.50%	\$45.18	\$5,511.40
	Tractors/Self-Propelled	\$401.38	Dollars	6.50%	\$26.09	\$3,182.97
	Implements	\$446.46	Dollars	6.50%	\$29.02	\$3,540.46
	Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs					\$282.12	\$34,418.55
Total Specified Costs					\$678.68	\$82,798.72
Returns Above Specified Costs					\$271.32	\$33,101.28
Breakeven Price to Cover Total Costs					\$16.97	CWT

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	Share Tenant	Own/Rent	Share Tenant	Landlord
75%	30.00	\$13.22	\$13.22	\$22.62	\$22.62	\$0.00
90%	36.00	\$11.02	\$11.02	\$18.85	\$18.85	\$0.00
100%	40.00	\$9.91	\$9.91	\$16.97	\$16.97	\$0.00
110%	44.00	\$9.01	\$9.01	\$15.42	\$15.42	\$0.00
125%	50.00	\$7.93	\$7.93	\$13.57	\$13.57	\$0.00

Developed by Rob Hogan, Associate 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.