

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

Crop Acres		122				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Winter Wheat		70.00	Bushel	\$7.38	\$516.60	\$63,025.20
Total Revenue					\$516.60	\$63,025.20
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
	Wheat Seed Public	60	Pound	\$0.18	\$10.50	\$1,281.00
Fertilizer						
	UAN(32% N)	1.7	CWT	\$17.00	\$28.90	\$3,525.80
	Fertilizer 18-46-0	87	Pound	\$0.25	\$21.75	\$2,653.50
Herbicide						
	2, 4-D Amine 4	16	Ounce	\$0.13	\$2.08	\$253.76
Insecticide						
	Lorsban 4E	1	Pint	\$5.25	\$5.25	\$640.50
Fungicides						
	Quilt	10.5	Ounce	\$1.72	\$18.06	\$2,203.32
Custom						
	Haul Wheat	70	Bushel	\$0.14	\$9.80	\$1,195.60
Irrigation						
	Energy or Water Cost	271.49	kWh	\$0.18	\$48.87	\$5,962.01
Machinery Labor						
	Tractors/Self-Propelled	0.75	Hour	\$12.00	\$9.00	\$1,098.00
Diesel Fuel						
	Tractors/Self-Propelled	5.18	Gallon	\$2.85	\$14.76	\$1,801.09
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	\$2.82	\$2.82	\$344.04
	Tractors/Self-Propelled	1	Acre	\$2.97	\$2.97	\$361.83
	Implements	1	Acre	\$3.86	\$3.86	\$471.14
	Interest on Credit Line			6.50%	\$5.54	\$675.57
Total Variable Costs					\$223.81	\$27,304.92
Planned Returns Above Variable Costs:					\$292.79	\$35,720.28
Breakeven Price to Cover Variable Costs				\$3.20	Bushel	
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	\$34.75	\$34.75	\$4,239.44
	Tractors/Self-Propelled	1	Acre	\$10.46	\$10.46	\$1,276.28
	Implements	1	Acre	\$3.69	\$3.69	\$450.68
Equipment Investment						
	Pickup/General Use Equipment	\$168.02	Dollars	6.50%	\$10.92	\$1,332.44
	Irrigation Equipment	\$521.24	Dollars	6.50%	\$33.88	\$4,133.45
	Tractors/Self-Propelled	\$125.36	Dollars	6.50%	\$8.15	\$994.12
	Implements	\$52.56	Dollars	6.50%	\$3.42	\$416.77
	Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs					\$180.48	\$22,018.01
Total Specified Costs					\$404.29	\$49,322.92
Returns Above Specified Costs					\$112.31	\$13,702.28
Breakeven Price to Cover Total Costs				\$5.78	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%	52.50	\$4.26	\$4.26	\$7.70	\$7.70	\$0.00
90%	63.00	\$3.55	\$3.55	\$6.42	\$6.42	\$0.00
100%	70.00	\$3.20	\$3.20	\$5.78	\$5.78	\$0.00
110%	77.00	\$2.91	\$2.91	\$5.25	\$5.25	\$0.00
125%	87.50	\$2.56	\$2.56	\$4.62	\$4.62	\$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.