

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Trans Pecos Flood Irrigated Pecans, Years 10-20 - 122 Acres
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Pecans	1,364.00	Pound	\$2.25	\$3,069.00	\$3,069.00	\$374,418.00
Total Revenue				\$3,069.00		\$374,418.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
Fertilizer 11-52-0	80	Pound	\$0.26	\$20.80		\$2,537.60
N-32 in Water	140.5	Pound	\$0.17	\$23.89		\$2,913.97
N-32 in Water	32	Pound	\$0.17	\$5.44		\$663.68
N-32 in Water	34	Pound	\$0.17	\$5.78		\$705.16
N-32 in Water	17	Pound	\$0.17	\$2.89		\$352.58
Zinc Sulphate	4	Pound	\$1.13	\$4.50		\$549.00
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Herbicide						
Glyphosate	2.83	Pint	\$2.25	\$6.37		\$776.84
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Crop Oil Concentrate	8	Pint	\$2.50	\$20.00		\$2,440.00
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Glyphosate	2.83	Pint	\$2.25	\$6.37		\$776.84
Insecticide						
Confirm 2F	12	Ounce	\$1.54	\$18.48		\$2,254.56
Lorsban 4E	2.5	Pint	\$5.25	\$13.13		\$1,601.25
Miscellaneous						
Electricity - Pecan Cleaning	187.8626	kWh	\$0.18	\$33.82		\$4,125.46
Custom						
Hedging	0.33	Acre	\$100.00	\$33.00		\$4,026.00
Irrigation						
Energy or Water Cost	35.21	Mcf	\$4.25	\$149.63		\$18,254.83
Irrigation Labor	0.78	Hour	\$11.00	\$8.60		\$1,048.91
Other Labor						
Pecan Cleaning	0.3819	Hour	\$10.00	\$3.82		\$465.92
Machinery Labor						
Tractors/Self-Propelled	3.85	Hour	\$12.00	\$46.20		\$5,636.40
Diesel Fuel						
Tractors/Self-Propelled	16.97	Gallon	\$2.85	\$48.36		\$5,900.47
Gasoline						
Pickup/General Use Equipment	1	Acre	\$15.76	\$15.76		\$1,922.76
Tractors/Self-Propelled	0.7317073	Gallon	\$2.45	\$1.79		\$218.71
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$6.30	\$6.30		\$768.10
Irrigation Equipment	1	Acre	\$16.40	\$16.40		\$2,000.80
Tractors/Self-Propelled	1	Acre	\$7.66	\$7.66		\$934.86
Implements	1	Acre	\$4.83	\$4.83		\$589.78
Interest on Credit Line						
			6.50%	\$19.97		\$2,435.96
Total Variable Costs				\$698.80		\$85,254.08
Planned Returns Above Variable Costs:				\$2,370.20		\$289,163.92
Breakeven Price to Cover Variable Costs			\$0.51	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$24.38	\$24.38		\$2,974.30
Irrigation Equipment	1	Acre	\$32.79	\$32.79		\$4,000.00
Tractors/Self-Propelled	1	Acre	\$23.44	\$23.44		\$2,859.46
Implements	1	Acre	\$4.70	\$4.70		\$572.81
Equipment Investment						
Pickup/General Use Equipment	\$388.36	Dollars	6.50%	\$25.24		\$3,079.70
Irrigation Equipment	\$491.80	Dollars	6.50%	\$31.97		\$3,900.00
Tractors/Self-Propelled	\$320.49	Dollars	6.50%	\$20.83		\$2,541.51
Implements	\$69.96	Dollars	6.50%	\$4.55		\$554.77
Allocated Establishment Cost						
Trans Pecos Irrigated Land	1	Acre	\$101.55	\$101.55		\$12,389.10
	1	Acre	\$40.00	\$40.00		\$4,880.00
Total Fixed Costs				\$309.44		\$37,751.64
Total Specified Costs				\$1,008.24		\$123,005.72
Returns Above Specified Costs				\$2,060.76		\$251,412.28
Breakeven Price to Cover Total Costs			\$0.74	Pound		

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share Tenant	Own/Rent	Share Tenant	Landlord
75%	1023.00	\$0.68	\$0.68	\$0.99	\$0.99	\$0.00
90%	1227.60	\$0.57	\$0.57	\$0.82	\$0.82	\$0.00
100%	1364.00	\$0.51	\$0.51	\$0.74	\$0.74	\$0.00
110%	1500.40	\$0.47	\$0.47	\$0.67	\$0.67	\$0.00
125%	1705.00	\$0.41	\$0.41	\$0.59	\$0.59	\$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.