

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Peanuts, Runner, Pivot Irrigated - 122 Acres
South Plains Extension District - 2

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total		Total
Peanuts - Runner	2.25	Ton	\$525.00	\$1,181.25		\$144,112.50
Total Revenue				\$1,181.25		\$144,112.50
VARIABLE COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Production Costs						
Seed						
Seed - Peanut	100	Pound	\$0.81	\$81.00		\$9,882.00
Innoculant Peanut	1	Acre	\$6.00	\$6.00		\$732.00
Fertilizer						
Fertilizer (P)	50	Pound	\$0.60	\$30.00		\$3,660.00
Fertilizer (N)	80	Pound	\$0.55	\$44.00		\$5,368.00
Herbicide						
Herbicide - Peanut	1	Acre	\$15.00	\$15.00		\$1,830.00
Insecticide						
Insecticide and Apply Peanut	1	Application	\$12.00	\$12.00		\$1,464.00
Fungicides						
Fungicide and Apply Peanut	1	Application	\$25.00	\$25.00		\$3,050.00
Miscellaneous						
Crop Insurance Peanuts - Irrigated	1	Acre	\$30.00	\$30.00		\$3,660.00
Custom						
Fertilizer Application - Peanut	1	Acre	\$5.00	\$5.00		\$610.00
Scouting	1	Acre	\$7.00	\$7.00		\$854.00
Dig and Shake	1	Acre	\$25.00	\$25.00		\$3,050.00
Harvest and Haul - Peanuts	2.25	Ton	\$60.00	\$135.00		\$16,470.00
Drying - Peanuts	2.25	Ton	\$30.00	\$67.50		\$8,235.00
Irrigation						
Energy or Water Cost	21.00	AcreInch	\$9.00	\$189.00		\$23,058.00
Irrigation Labor	1.00	Hour	\$11.75	\$11.75		\$1,433.50
Other Labor						
Hoeing - Peanut	1	Acre	\$20.00	\$20.00		\$2,440.00
Machinery Labor						
Tractors/Self-Propelled	1	Hour	\$11.75	\$11.75		\$1,433.50
Diesel Fuel						
Tractors/Self-Propelled	2.75	Gallon	\$3.20	\$8.80		\$1,073.60
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$1.75	\$1.75		\$213.50
Irrigation Equipment	1	Acre	\$30.00	\$30.00		\$3,660.00
Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00		\$732.00
Implements	1	Acre	\$3.00	\$3.00		\$366.00
Interest on Credit Line			6.00%	\$17.17		\$2,094.36
Total Variable Costs				\$781.72		\$95,369.46
Planned Returns Above Variable Costs:				\$399.53		\$48,743.04
Breakeven Price to Cover Variable Costs			\$347.43	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Equipment Investment						
Pickup/General Use Equipment	\$35.78	Dollars	7.00%	\$2.50		\$305.55
Irrigation Equipment	\$714.29	Dollars	7.00%	\$50.00		\$6,100.00
Tractors/Self-Propelled	\$171.43	Dollars	7.00%	\$12.00		\$1,464.00
Implements	\$142.86	Dollars	7.00%	\$10.00		\$1,220.00
Cash Rent - Peanuts	1	Acre	\$130.00	\$130.00		\$15,860.00
Total Fixed Costs				\$204.50		\$24,949.55
Total Specified Costs				\$986.22		\$120,319.01
Returns Above Specified Costs				\$195.03		\$23,793.49
Breakeven Price to Cover Total Costs			\$438.32	Ton		

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	1.69	\$463.24	\$463.24	\$584.43	\$584.43	\$0.00
90%	2.03	\$386.03	\$386.03	\$487.02	\$487.02	\$0.00
100%	2.25	\$347.43	\$347.43	\$438.32	\$438.32	\$0.00
110%	2.48	\$315.85	\$315.85	\$398.47	\$398.47	\$0.00
125%	2.81	\$277.94	\$277.94	\$350.66	\$350.66	\$0.00

Developed by Jackie Smith, 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.