

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2014 Estimated Costs and Returns per Acre
Wheat, Dryland - 160 Acres
South Plains Extension District - 2

Crop Acres		160				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Wheat		18.00	Bushel	\$5.75	\$103.50	\$16,560.00
Grazing - Wheat		68.00	Pound	\$0.60	\$40.80	\$6,528.00
Total Revenue					\$144.30	\$23,088.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Seed - Wheat		1	Bushel	\$25.00	\$25.00	\$4,000.00
Fertilizer						
Fertilizer (N)		30	Pound	\$0.55	\$16.50	\$2,640.00
Insecticide						
Insecticide and Apply Wheat Dryland		0.5	Acre	\$8.00	\$4.00	\$640.00
Custom						
Fertilizer Application		1	Acre	\$10.00	\$10.00	\$1,600.00
Custom Harvest - Wheat		1	Acre	\$15.00	\$15.00	\$2,400.00
Custom Haul - Wheat		18	Bushel	\$0.14	\$2.52	\$403.20
Machinery Labor						
Tractors/Self-Propelled		1	Hour	\$11.75	\$11.75	\$1,880.00
Diesel Fuel						
Tractors/Self-Propelled		1.75	Gallon	\$3.20	\$5.60	\$896.00
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$1.75	\$1.75	\$280.00
Tractors/Self-Propelled		1	Acre	\$6.00	\$6.00	\$960.00
Implements		1	Acre	\$3.00	\$3.00	\$480.00
Interest on Credit Line				6.00%	\$3.25	\$520.18
Total Variable Costs					\$104.37	\$16,699.38
Planned Returns Above Variable Costs:					\$39.93	\$6,388.62
Breakeven Price to Cover Variable Costs					\$3.53	Bushel
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Equipment Investment						
Pickup/General Use Equipment		\$35.69	Dollars	7.00%	\$2.50	\$399.70
Tractors/Self-Propelled		\$171.43	Dollars	7.00%	\$12.00	\$1,920.00
Implements		\$142.86	Dollars	7.00%	\$10.00	\$1,600.00
Cash Rent - Wheat Dryland		1	Acre	\$30.00	\$30.00	\$4,800.00
Total Fixed Costs					\$54.50	\$8,719.70
Total Specified Costs					\$158.87	\$25,419.08
Returns Above Specified Costs					(\$14.57)	(\$2,331.08)
Breakeven Price to Cover Total Costs					\$6.56	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	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	13.50	\$4.71	\$4.71	\$8.75	\$8.75	\$0.00
90%	16.20	\$3.92	\$3.92	\$7.29	\$7.29	\$0.00
100%	18.00	\$3.53	\$3.53	\$6.56	\$6.56	\$0.00
110%	19.80	\$3.21	\$3.21	\$5.96	\$5.96	\$0.00
125%	22.50	\$2.83	\$2.83	\$5.25	\$5.25	\$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.