

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Continuous Wheat, Dryland, Grazed - 160 Acres
Panhandle Extension District - 1

Crop Acres		160				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Wheat	20.00	Bushel	\$6.02	\$120.40	\$19,264.00	
Grazing - Wheat	73.00	Pound	\$0.50	\$36.50	\$5,840.00	
Total Revenue				\$156.90	\$25,104.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Seed						
Seed - Wheat	1	Bushel	\$24.40	\$24.40	\$3,904.00	
Fertilizer						
Fertilizer (N) - ANH3	30	Pound	\$0.40	\$12.00	\$1,920.00	
Custom						
Fertilizer Application - ANH3	1	Acre	\$11.75	\$11.75	\$1,880.00	
Custom Harvest - Wheat	1	Acre	\$22.70	\$22.70	\$3,632.00	
Custom Haul - Wheat	20	Bushel	\$0.22	\$4.40	\$704.00	
Miscellaneous						
Crop Insurance Wheat Dryland	1	Acre	\$21.50	\$21.50	\$3,440.64	
Machinery Labor						
Tractors/Self-Propelled	0.86	Hour	\$11.75	\$10.11	\$1,616.80	
Diesel Fuel						
Tractors/Self-Propelled	2.24	Gallon	\$3.30	\$7.39	\$1,182.72	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$6.07	\$6.07	\$971.75	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80	
Tractors/Self-Propelled	1	Acre	\$3.62	\$3.62	\$579.46	
Implements	1	Acre	\$7.37	\$7.37	\$1,178.45	
Interest on Credit Line			4.90%	\$3.50	\$560.20	
Total Variable Costs				\$137.30	\$21,967.82	
Planned Returns Above Variable Costs:				\$19.60	\$3,136.18	
Breakeven Price to Cover Variable Costs			\$5.04	Bushel		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69	
Tractors/Self-Propelled	1	Acre	\$3.60	\$3.60	\$575.96	
Implements	1	Acre	\$9.37	\$9.37	\$1,498.63	
Equipment Investment						
Pickup/General Use Equipment	\$31.08	Dollars	5.40%	\$1.68	\$268.52	
Tractors/Self-Propelled	\$40.64	Dollars	5.40%	\$2.19	\$351.15	
Implements	\$72.85	Dollars	5.40%	\$3.93	\$629.43	
Cash Rent - Wheat Dryland	1	Acre	\$28.50	\$28.50	\$4,560.00	
Total Fixed Costs				\$51.88	\$8,301.38	
Total Specified Costs				\$189.18	\$30,269.20	
Returns Above Specified Costs				(\$32.28)	(\$5,165.20)	
Breakeven Price to Cover Total Costs			\$7.63	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%	15.00	\$6.72	\$6.72	\$10.18	\$10.18	\$0.00
90%	18.00	\$5.60	\$5.60	\$8.48	\$8.48	\$0.00
100%	20.00	\$5.04	\$5.04	\$7.63	\$7.63	\$0.00
110%	22.00	\$4.58	\$4.58	\$6.94	\$6.94	\$0.00
125%	25.00	\$4.03	\$4.03	\$6.11	\$6.11	\$0.00

Developed by Steve Amosson, Regents Fellow, 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.