

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Rotation, Sorghum-Fallow-Wheat, Minimum Till, Wheat with Grazing - 160 Acres
Panhandle Extension District - 1

Crop Acres		160				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Wheat		26.00	Bushel	\$6.02	\$156.52	\$25,043.20
Grazing - Wheat		73.00	Pound	\$0.50	\$36.50	\$5,840.00
Total Revenue					\$193.02	\$30,883.20
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Seed - Wheat		1	Bushel	\$24.40	\$24.40	\$3,904.00
Fertilizer						
Fertilizer (N) - Dry		30	Pound	\$0.49	\$14.70	\$2,352.00
Custom						
Fertilizer Application		1	Acre	\$5.50	\$5.50	\$880.00
Custom Harvest - Wheat		1	Acre	\$22.70	\$22.70	\$3,632.00
Custom Haul - Wheat		26	Bushel	\$0.22	\$5.72	\$915.20
Machinery Labor						
Tractors/Self-Propelled		0.37	Hour	\$11.75	\$4.35	\$695.60
Diesel Fuel						
Tractors/Self-Propelled		0.6	Gallon	\$3.30	\$1.98	\$316.80
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	\$0.69	\$0.69	\$110.40
Implements		1	Acre	\$4.19	\$4.19	\$670.61
Interest on Credit Line				4.90%	\$1.32	\$210.81
Total Variable Costs					\$94.11	\$15,056.97
Planned Returns Above Variable Costs:					\$98.91	\$15,826.23
Breakeven Price to Cover Variable Costs				\$2.22	Bushel	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled		1	Acre	\$0.57	\$0.57	\$91.27
Implements		1	Acre	\$5.39	\$5.39	\$862.21
Equipment Investment						
Pickup/General Use Equipment		\$31.08	Dollars	5.40%	\$1.68	\$268.52
Tractors/Self-Propelled		\$6.44	Dollars	5.40%	\$0.35	\$55.64
Implements		\$41.91	Dollars	5.40%	\$2.26	\$362.13
Cash Rent - Wheat Dryland		1	Acre	\$28.50	\$28.50	\$4,560.00
Total Fixed Costs					\$41.36	\$6,617.45
Total Specified Costs					\$135.47	\$21,674.42
Returns Above Specified Costs					\$57.55	\$9,208.78
Breakeven Price to Cover Total Costs				\$3.81	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%	19.50	\$2.95	\$2.95	\$5.08	\$5.08	\$0.00
90%	23.40	\$2.46	\$2.46	\$4.23	\$4.23	\$0.00
100%	26.00	\$2.22	\$2.22	\$3.81	\$3.81	\$0.00
110%	28.60	\$2.01	\$2.01	\$3.46	\$3.46	\$0.00
125%	32.50	\$1.77	\$1.77	\$3.05	\$3.05	\$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.