

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Continuous Wheat, Sprinkler Irrigated (NG) - 122 Acres
Panhandle Extension District - 1

Crop Acres		122		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Wheat	65.00	Bushel	\$6.02	\$391.30	\$47,738.60
Grazing - Wheat	136.00	Pound	\$0.50	\$68.00	\$8,296.00
Total Revenue				\$459.30	\$56,034.60
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Seed - Wheat	1.2	Bushel	\$24.40	\$29.28	\$3,572.16
Fertilizer					
Fertilizer (N) - ANH3	60	Pound	\$0.40	\$24.00	\$2,928.00
Fertilizer (P) - Liquid	40	Pound	\$0.85	\$34.00	\$4,148.00
Fertilizer (N) - Liquid	30	Pound	\$0.55	\$16.50	\$2,013.00
Custom					
Fertilizer Application - ANH3	1	Acre	\$11.75	\$11.75	\$1,433.50
Harvest and Haul - Wheat Irrigated	65	Bushel	\$0.61	\$39.65	\$4,837.30
Miscellaneous					
Crop Insurance Wheat Irrigated	1	Acre	\$22.94	\$22.94	\$2,799.17
Insecticide					
Insecticide and Apply Wheat	1	Acre	\$9.30	\$9.30	\$1,134.60
Irrigation					
Energy Cost	15.00	AcreInch	\$4.30	\$64.50	\$7,869.00
Irrigation Labor	0.96	Hour	\$11.75	\$11.28	\$1,376.16
Machinery Labor					
Tractors/Self-Propelled	0.87	Hour	\$11.75	\$10.22	\$1,247.15
Diesel Fuel					
Tractors/Self-Propelled	2.13	Gallon	\$3.30	\$7.03	\$857.54
Gasoline					
Pickup/General Use Equipment	1	Acre	\$6.13	\$6.13	\$747.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$60.60	\$60.60	\$7,393.20
Tractors/Self-Propelled	1	Acre	\$3.22	\$3.22	\$392.74
Implements	1	Acre	\$7.79	\$7.79	\$949.88
Interest on Credit Line			4.90%	\$9.46	\$1,153.67
Total Variable Costs				\$370.15	\$45,158.55
Planned Returns Above Variable Costs:				\$89.15	\$10,876.05
Breakeven Price to Cover Variable Costs			\$4.65	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment	1	Acre	\$22.50	\$22.50	\$2,745.60
Tractors/Self-Propelled	1	Acre	\$3.18	\$3.18	\$388.43
Implements	1	Acre	\$9.84	\$9.84	\$1,200.43
Equipment Investment					
Pickup/General Use Equipment	\$31.35	Dollars	5.40%	\$1.69	\$206.55
Irrigation Equipment	\$703.28	Dollars	5.40%	\$37.98	\$4,633.20
Tractors/Self-Propelled	\$35.95	Dollars	5.40%	\$1.94	\$236.82
Implements	\$76.53	Dollars	5.40%	\$4.13	\$504.18
Cash Rent - Wheat Irrigated	1	Acre	\$80.75	\$80.75	\$9,851.50
Total Fixed Costs				\$164.66	\$20,088.01
Total Specified Costs				\$534.81	\$65,246.56
Returns Above Specified Costs				(\$75.51)	(\$9,211.96)
Breakeven Price to Cover Total Costs			\$7.18	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%	48.75	\$6.20	\$6.20	\$9.58	\$9.58	\$0.00
90%	58.50	\$5.16	\$5.16	\$7.98	\$7.98	\$0.00
100%	65.00	\$4.65	\$4.65	\$7.18	\$7.18	\$0.00
110%	71.50	\$4.23	\$4.23	\$6.53	\$6.53	\$0.00
125%	81.25	\$3.72	\$3.72	\$5.75	\$5.75	\$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.