

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Dryland Canola - 640 Acres
Rolling Plains Extension District - 3

Crop Acres		640				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Canola	1,000.00	Pound	\$0.14	\$135.00	\$86,400.00	\$86,400.00
Total Revenue				\$135.00	\$86,400.00	\$86,400.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Seed						
Fertilizer	Canola Seed	5	Pound	\$5.80	\$29.00	\$18,560.00
	Fertilizer (N)	50	Pound	\$0.60	\$30.00	\$19,200.00
	Fertilizer (P)	25	Pound	\$0.42	\$10.50	\$6,720.00
Custom						
	Insecticide Application	1	Acre	\$5.50	\$5.50	\$3,520.00
	Swath	1	Acre	\$12.00	\$12.00	\$7,680.00
	Combine	1	Acre	\$20.00	\$20.00	\$12,800.00
	Hauling - Canola	1	Acre	\$3.50	\$3.50	\$2,240.00
Herbicide						
	Roundup	3	Pint	\$5.50	\$16.50	\$10,560.00
Insecticide						
	Pyrethroid	2	Pint	\$4.75	\$9.50	\$6,080.00
Miscellaneous						
	Insurance - Canola	1	Acre	\$14.00	\$14.00	\$8,960.00
Machinery Labor						
	Tractors/Self-Propelled	0.74	Hour	\$10.00	\$7.40	\$4,736.00
Diesel Fuel						
	Tractors/Self-Propelled	1.76	Gallon	\$2.59	\$4.56	\$2,917.38
Repairs & Maintenance						
	Tractors/Self-Propelled	1	Acre	\$2.28	\$2.28	\$1,461.03
	Implements	1	Acre	\$15.79	\$15.79	\$10,103.26
	Interest on Credit Line			6.25%	\$3.80	\$2,432.81
Total Variable Costs				\$184.33	\$117,970.48	\$117,970.48
Planned Returns Above Variable Costs:				(\$49.33)	(\$31,570.48)	(\$31,570.48)
Breakeven Price to Cover Variable Costs			\$0.18	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
	Tractors/Self-Propelled	1	Acre	\$2.20	\$2.20	\$1,408.93
	Implements	1	Acre	\$14.63	\$14.63	\$9,362.71
Equipment Investment						
	Tractors/Self-Propelled	\$24.86	Dollars	5.50%	\$1.37	\$874.90
	Implements	\$113.78	Dollars	5.50%	\$6.26	\$4,005.16
Cash Rent - Canola						
		1	Acre	\$32.00	\$32.00	\$20,480.00
Total Fixed Costs				\$56.46	\$36,131.69	\$36,131.69
Total Specified Costs				\$240.78	\$154,102.17	\$154,102.17
Returns Above Specified Costs				(\$105.78)	(\$67,702.17)	(\$67,702.17)
Breakeven Price to Cover Total Costs			\$0.24	Pound		

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	750.00	\$0.25	\$0.25	\$0.32	\$0.32	\$0.00
90%	900.00	\$0.20	\$0.20	\$0.27	\$0.27	\$0.00
100%	1000.00	\$0.18	\$0.18	\$0.24	\$0.24	\$0.00
110%	1100.00	\$0.17	\$0.17	\$0.22	\$0.22	\$0.00
125%	1250.00	\$0.15	\$0.15	\$0.19	\$0.19	\$0.00

Developed by Stan Bevers, Professor and Extension Economist, Texas A&M AgriLife Extension Service.

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.