

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Irrigated Canola - 122 Acres**  
**Southwest Extension District - 10**

Crop Acres		122		Enterprise	
<u>REVENUE</u>	Quantity	Units	\$/Unit	Total	Total
Canola	55.00	Bushel	\$7.48	\$411.40	\$50,190.80
Total Revenue				\$411.40	\$50,190.80
<u>VARIABLE COSTS</u>	Quantity	Units	\$/Unit	Total	Total
<b>Production Costs</b>					
Seed					
Canola RR Seed	4	Pound	\$6.80	\$27.20	\$3,318.40
Fertilizer					
UAN(32% N)	3.72	CWT	\$16.00	\$59.52	\$7,261.44
Fertilizer 18-46-0	108	Pound	\$0.28	\$30.24	\$3,689.28
Custom					
Haul Canola	55	Bushel	\$0.14	\$7.70	\$939.40
Miscellaneous					
Crop Insurance - Canola Irrigated	1	Acre	\$18.00	\$18.00	\$2,196.00
Miscellaneous Canola Overhead	1	Acre	\$4.00	\$4.00	\$488.00
Herbicide					
2, 4-D Amine 4	16	Ounce	\$0.14	\$2.24	\$273.28
Glyphosate	2.75	Pint	\$2.03	\$5.58	\$681.07
Insecticide					
Lorsban 4E	2	Pint	\$5.25	\$10.50	\$1,281.00
Irrigation					
Energy Cost	390.00	kWh	\$0.17	\$66.30	\$8,088.60
Irrigation Labor	0.02	Hour	\$11.00	\$0.26	\$32.21
Machinery					
Labor					
Tractors/Self-Propelled	0.6188	Hour	\$12.00	\$7.43	\$905.92
Diesel Fuel					
Tractors/Self-Propelled	5.472	Gallon	\$2.15	\$11.76	\$1,435.31
Gasoline					
Pickup/General Use Equipment	1	Acre	\$29.44	\$29.44	\$3,591.42
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$819.96
Irrigation Equipment	1	Acre	\$4.14	\$4.14	\$505.08
Tractors/Self-Propelled	1	Acre	\$3.06	\$3.06	\$373.32
Implements	1	Acre	\$3.35	\$3.35	\$408.70
Interest on Credit Line			6.50%	\$0.25	\$30.50
Total Variable Costs				\$297.70	\$36,318.89
Planned Returns Above Variable Costs:				\$113.70	\$13,871.91
Breakeven Price to Cover Variable Costs			\$5.41	Bushel	
<u>FIXED COSTS</u>	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$3,074.85
Irrigation Equipment	1	Acre	\$48.53	\$48.53	\$5,920.66
Tractors/Self-Propelled	1	Acre	\$9.87	\$9.87	\$1,204.14
Implements	1	Acre	\$4.05	\$4.05	\$494.10
Equipment Investment					
Pickup/General Use Equipment	\$168.02	Dollars	6.50%	\$10.92	\$1,332.44
Irrigation Equipment	\$727.97	Dollars	6.50%	\$47.32	\$5,772.80
Tractors/Self-Propelled	\$112.13	Dollars	6.50%	\$7.29	\$889.19
Implements	\$33.28	Dollars	6.50%	\$2.16	\$263.91
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs				\$205.34	\$25,052.09
Total Specified Costs				\$503.04	\$61,370.98
Returns Above Specified Costs				(\$91.64)	(\$11,180.18)
<b>Breakeven Price to Cover Total Costs</b>			<b>\$9.15</b>	<b>Bushel</b>	

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%	41.25	\$7.22	\$7.22	\$12.19	\$12.19	\$0.00
90%	49.50	\$6.01	\$6.01	\$10.16	\$10.16	\$0.00
100%	55.00	\$5.41	\$5.41	\$9.15	\$9.15	\$0.00
110%	60.50	\$4.92	\$4.92	\$8.31	\$8.31	\$0.00
125%	68.75	\$4.33	\$4.33	\$7.32	\$7.32	\$0.00

Developed by Rob Hogan, Associate 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.**