

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Irrigated Peanuts - 122 Acres**  
**South Plains Extension District - 2**

Crop Acres		122				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Peanuts - Runner		2.25	Ton	\$430.00	\$967.50	\$118,035.00
Total Revenue					\$967.50	\$118,035.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
Dig and Shake		1	Acre	\$25.00	\$25.00	\$3,050.00
Harvest and Haul - Peanuts		2.25	Ton	\$60.00	\$135.00	\$16,470.00
Drying - Peanuts		2.25	Ton	\$30.00	\$67.50	\$8,235.00
Fertilizer Application - Liquid High		1	Acre	\$4.75	\$4.75	\$579.50
Scouting - Peanuts		1	Acre	\$10.00	\$10.00	\$1,220.00
Fertilizer						
Fertilizer (P) - Liquid		50	Pound	\$0.74	\$36.75	\$4,483.50
Fertilizer (N) - Liquid		80	Pound	\$0.58	\$46.24	\$5,641.28
Herbicide						
Herbicide - Peanut		1	Acre	\$15.00	\$15.00	\$1,830.00
Insecticide						
Insecticide and Apply Peanut		1	Application	\$12.00	\$12.00	\$1,464.00
Seed						
Seed - Peanut		100	Pound	\$0.76	\$76.00	\$9,272.00
Innoculant Peanut		1	Acre	\$6.00	\$6.00	\$732.00
Miscellaneous						
Crop Insurance Peanuts - Irrigated		1	Acre	\$30.00	\$30.00	\$3,660.00
Fungicides						
Fungicide and Apply Peanut		1	Application	\$35.00	\$35.00	\$4,270.00
Other Labor						
Hoeing		1	Acre	\$15.00	\$15.00	\$1,830.00
Irrigation						
Energy Cost		24.00	AcreInch	\$9.00	\$216.00	\$26,352.00
Irrigation Labor		1.20	Hour	\$12.00	\$14.40	\$1,756.80
Machinery Labor						
Tractors/Self-Propelled		3	Hour	\$12.00	\$36.00	\$4,392.00
Diesel Fuel						
Tractors/Self-Propelled		7.6	Gallon	\$3.00	\$22.80	\$2,781.60
Gasoline						
Pickup/General Use Equipment		2	Gallon	\$2.25	\$4.50	\$549.00
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$0.50	\$0.50	\$61.00
Irrigation Equipment		1	Acre	\$42.00	\$42.00	\$5,124.00
Tractors/Self-Propelled		1	Acre	\$6.00	\$6.00	\$732.00
Implements		1	Acre	\$3.00	\$3.00	\$366.00
Interest on Credit Line				6.00%	\$16.28	\$1,986.04
Total Variable Costs					\$875.72	\$106,837.72
Planned Returns Above Variable Costs:					\$91.78	\$11,197.28
Breakeven Price to Cover Variable Costs				\$389.21	Ton	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Equipment Investment						
Pickup/General Use Equipment		\$17.89	Dollars	7.00%	\$1.25	\$152.78
Irrigation Equipment		\$785.72	Dollars	7.00%	\$55.00	\$6,710.01
Tractors/Self-Propelled		\$171.40	Dollars	7.00%	\$12.00	\$1,463.76
Implements		\$142.90	Dollars	7.00%	\$10.00	\$1,220.37
Whole Farm Insurance		1	Acre	\$2.00	\$2.00	\$244.00
Cash Rent - Peanuts		1	Acre	\$130.00	\$130.00	\$15,860.00
Total Fixed Costs					\$210.25	\$25,650.91
Total Specified Costs					\$1,085.97	\$132,488.63
Returns Above Specified Costs					(\$118.47)	(\$14,453.63)
Breakeven Price to Cover Total Costs				\$482.65	Ton	

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	1.69	\$518.94	\$518.94	\$643.54	\$643.54	\$0.00
90%	2.03	\$432.45	\$432.45	\$536.28	\$536.28	\$0.00
100%	2.25	\$389.21	\$389.21	\$482.65	\$482.65	\$0.00
110%	2.48	\$353.83	\$353.83	\$438.78	\$438.78	\$0.00
125%	2.81	\$311.37	\$311.37	\$386.12	\$386.12	\$0.00

Developed by Jackie Smith, 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.**