

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Peanuts, Runner, Sprinkler Irrigated - 122 Acres
Panhandle Extension District - 1

Crop Acres		122				Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise	
Peanuts - Runner	2.25	Ton	\$355.00	\$798.75	\$97,447.50		
Total Revenue				\$798.75	\$97,447.50		
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise	
Production Costs							
Custom							
Fertilizer Application	1	Acre	\$5.65	\$5.65	\$689.45		
Dig and Shake	1	Acre	\$26.41	\$26.41	\$3,221.62		
Harvest and Haul - Peanuts	2.25	Ton	\$54.05	\$121.60	\$14,835.76		
Drying - Peanuts	2.25	Ton	\$26.10	\$58.72	\$7,164.04		
Fertilizer							
Fertilizer (P) - Dry	50	Pound	\$0.52	\$26.00	\$3,172.00		
Fertilizer (N) - Dry	80	Pound	\$0.42	\$33.60	\$4,099.20		
Herbicide							
Herbicide - Peanut	1	Acre	\$17.31	\$17.31	\$2,112.32		
Insecticide							
Insecticide and Apply Peanut	1	Application	\$9.55	\$9.55	\$1,165.59		
Miscellaneous							
Crop Insurance Peanuts - Irrigated	1	Acre	\$36.85	\$36.85	\$4,495.70		
Seed							
Seed - Peanut	100	Pound	\$1.01	\$100.88	\$12,307.36		
Innoculant Peanut	1	Acre	\$7.26	\$7.26	\$886.13		
Fungicides							
Fungicide and Apply Peanut	3	Application	\$15.85	\$47.54	\$5,800.37		
Other Labor							
Hoeing - Peanut	1	Acre	\$18.61	\$18.61	\$2,270.03		
Irrigation							
Energy Cost	21.00	AcreInch	\$3.20	\$67.20	\$8,198.40		
Irrigation Labor	1.34	Hour	\$12.16	\$16.34	\$1,993.67		
Machinery Labor							
Tractors/Self-Propelled	2.62	Hour	\$11.97	\$31.35	\$3,825.25		
Diesel Fuel							
Tractors/Self-Propelled	6.86	Gallon	\$1.97	\$13.51	\$1,648.73		
Gasoline							
Pickup/General Use Equipment	1	Acre	\$4.22	\$4.22	\$515.00		
Repairs & Maintenance							
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00		
Irrigation Equipment	1	Acre	\$84.84	\$84.84	\$10,350.48		
Tractors/Self-Propelled	1	Acre	\$9.59	\$9.59	\$1,169.45		
Implements	1	Acre	\$22.28	\$22.28	\$2,718.24		
Interest on Credit Line			5.15%	\$11.86	\$1,447.50		
Total Variable Costs				\$773.71	\$94,392.30		
Planned Returns Above Variable Costs:				\$25.04	\$3,055.20		
Breakeven Price to Cover Variable Costs			\$343.87	Ton			
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise	
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	\$9.67	\$9.67	\$1,179.89		
Implements	1	Acre	\$26.44	\$26.44	\$3,226.09		
Equipment Investment							
Pickup/General Use Equipment	\$18.18	Dollars	5.40%	\$0.98	\$119.80		
Irrigation Equipment	\$421.97	Dollars	5.40%	\$22.79	\$2,779.92		
Tractors/Self-Propelled	\$75.34	Dollars	5.40%	\$4.07	\$496.35		
Implements	\$113.12	Dollars	5.40%	\$6.11	\$745.23		
Cash Rent - Peanuts	1	Acre	\$125.00	\$125.00	\$15,250.00		
Total Fixed Costs				\$220.20	\$26,864.18		
Total Specified Costs				\$993.91	\$121,256.49		
Returns Above Specified Costs				(\$195.16)	(\$23,808.99)		
Breakeven Price to Cover Total Costs			\$441.74	Ton			

Example Breakeven Prices			
Example	Example	Price Needed to Cover	Price Needed to Cover
Yield	Yield	Your Variable Costs	Your Total Costs
Percent	Ton		
75%	1.69	\$458.49	\$588.98
90%	2.03	\$382.08	\$490.82
100%	2.25	\$343.87	\$441.74
110%	2.48	\$312.61	\$401.58
125%	2.81	\$275.10	\$353.39

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.