

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Continuous Wheat, Furrow Irrigated (NG) - 122 Acres
Panhandle Extension District - 1

Crop Acres		122		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Wheat	50.00	Bushel	\$4.50	\$225.00	\$27,450.00
Grazing - Wheat	136.00	Pound	\$0.45	\$61.20	\$7,466.40
Total Revenue				\$286.20	\$34,916.40
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Seed - Wheat	1.2	Bushel	\$24.61	\$29.54	\$3,603.60
Fertilizer					
Fertilizer (N) - ANH3	50	Pound	\$0.36	\$18.00	\$2,196.00
Fertilizer (P) - Liquid	30	Pound	\$0.90	\$27.00	\$3,294.00
Fertilizer (N) - Liquid	25	Pound	\$0.53	\$13.25	\$1,616.50
Custom					
Fertilizer Application - ANH3	1	Acre	\$12.07	\$12.07	\$1,472.92
Harvest and Haul - Wheat Irrigated	50	Bushel	\$0.63	\$31.34	\$3,823.33
Miscellaneous					
Crop Insurance Wheat Irrigated	1	Acre	\$35.00	\$35.00	\$4,270.00
Insecticide					
Insecticide and Apply Wheat	1	Acre	\$8.89	\$8.89	\$1,084.00
Irrigation					
Energy Cost	12.50	AcreInch	\$3.20	\$40.00	\$4,880.00
Irrigation Labor	2.46	Hour	\$12.16	\$29.86	\$3,643.20
Machinery Labor					
Tractors/Self-Propelled	1.06	Hour	\$11.97	\$12.69	\$1,547.62
Diesel Fuel					
Tractors/Self-Propelled	2.79	Gallon	\$1.97	\$5.50	\$670.55
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	\$49.53	\$49.53	\$6,043.12
Tractors/Self-Propelled	1	Acre	\$4.48	\$4.48	\$546.99
Implements	1	Acre	\$8.48	\$8.48	\$1,034.13
Interest on Credit Line			5.15%	\$9.24	\$1,127.81
Total Variable Costs				\$341.60	\$41,674.75
Planned Returns Above Variable Costs:				(\$55.40)	(\$6,758.35)
Breakeven Price to Cover Variable Costs			\$5.61	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	\$14.42	\$14.42	\$1,759.40
Tractors/Self-Propelled	1	Acre	\$4.49	\$4.49	\$547.83
Implements	1	Acre	\$10.62	\$10.62	\$1,295.21
Equipment Investment					
Pickup/General Use Equipment	\$18.18	Dollars	5.40%	\$0.98	\$119.80
Irrigation Equipment	\$199.24	Dollars	5.40%	\$10.76	\$1,312.61
Tractors/Self-Propelled	\$34.98	Dollars	5.40%	\$1.89	\$230.46
Implements	\$45.42	Dollars	5.40%	\$2.45	\$299.19
Cash Rent - Wheat Irrigated	1	Acre	\$75.00	\$75.00	\$9,150.00
Total Fixed Costs				\$123.24	\$15,035.80
Total Specified Costs				\$464.84	\$56,710.54
Returns Above Specified Costs				(\$178.64)	(\$21,794.14)
Breakeven Price to Cover Total Costs			\$8.07	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	37.50	\$7.48	\$10.76
90%	45.00	\$6.23	\$8.97
100%	50.00	\$5.61	\$8.07
110%	55.00	\$5.10	\$7.34
125%	62.50	\$4.49	\$6.46

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.