

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Dryland Wheat - 160 Acres
South Plains Extension District - 2

Crop Acres	160				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total
Wheat	18.00	Bushel	\$5.50	\$99.00	\$15,840.00
Grazing - Wheat	68.00	Pound	\$0.50	\$34.00	\$5,440.00
Total Revenue				\$133.00	\$21,280.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Herbicide					
Herbicide and Apply Wheat Dryland	1	Acre	\$16.75	\$16.75	\$2,680.00
Seed					
Seed - Wheat	1	Bushel	\$25.00	\$25.00	\$4,000.00
Fertilizer					
Fertilizer (N) - Liquid	30	Pound	\$0.58	\$17.34	\$2,774.40
Custom					
Custom Harvest - Wheat	1	Acre	\$14.00	\$14.00	\$2,240.00
Custom Haul - Wheat	18	Bushel	\$0.14	\$2.52	\$403.20
Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75	\$760.00
Miscellaneous					
Crop Insurance Wheat Dryland	1	Acre	\$19.00	\$19.00	\$3,040.00
Insecticide					
Insecticide and Apply Wheat Dryland	1	Acre	\$5.50	\$5.50	\$880.00
Machinery Labor					
Tractors/Self-Propelled	0.9	Hour	\$12.00	\$10.80	\$1,728.00
Diesel Fuel					
Tractors/Self-Propelled	2.2	Gallon	\$3.00	\$6.60	\$1,056.00
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.50	\$4.50	\$720.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50	\$80.00
Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00	\$960.00
Implements	1	Acre	\$3.00	\$3.00	\$480.00
Interest on Credit Line			6.00%	\$5.23	\$836.08
Total Variable Costs				\$141.49	\$22,637.68
Planned Returns Above Variable Costs:				(\$8.49)	(\$1,357.68)
Breakeven Price to Cover Variable Costs			\$5.97	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Equipment Fixed Costs					
Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25	\$200.00
Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00	\$1,920.00
Implements	1	Acre	\$10.00	\$10.00	\$1,600.00
Management Fee, Owner/Operator Labor	1	Acre	\$15.00	\$15.00	\$2,400.00
Cash Rent - Wheat Dryland	1	Acre	\$30.00	\$30.00	\$4,800.00
Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$320.00
Total Fixed Costs				\$70.25	\$11,240.00
Total Specified Costs				\$211.74	\$33,877.68
Returns Above Specified Costs				(\$78.74)	(\$12,597.68)
Breakeven Price to Cover Total Costs			\$9.87	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%	13.50	\$7.96	\$13.17
90%	16.20	\$6.63	\$10.97
100%	18.00	\$5.97	\$9.87
110%	19.80	\$5.43	\$8.98
125%	22.50	\$4.78	\$7.90

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.