

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Dryland Wheat - 640 Acres
Rolling Plains Extension District - 3

Crop Acres		640				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Wheat	30.00	Bushel	\$4.88	\$146.40		\$93,696.00
Wheat Pasture	64.00	Pound of Gain	\$0.50	\$32.00		\$20,480.00
Total Revenue				\$178.40		\$114,176.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Herbicide						
Herbicide - Wheat	1	Ounce	\$9.50	\$9.50		\$6,080.00
Seed						
Wheat Seed	70	Pound	\$0.26	\$18.20		\$11,648.00
Fertilizer						
Fertilizer (N)	100	Pound	\$0.45	\$45.00		\$28,800.00
Fertilizer (P)	50	Pound	\$0.40	\$20.00		\$12,800.00
Custom						
Herbicide Application	1	Acre	\$5.50	\$5.50		\$3,520.00
Custom Harvest Wheat	1	Acre	\$24.00	\$24.00		\$15,360.00
Overage - Wheat	10	Bushel	\$0.24	\$2.40		\$1,536.00
Custom Haul Wheat	30	Bushel	\$0.24	\$7.20		\$4,608.00
Miscellaneous						
Insurance - Wheat	1	Acre	\$12.00	\$12.00		\$7,680.00
Insecticide						
Insecticide & Application - Wheat	1	Ounce	\$0.98	\$0.98		\$627.20
Machinery Labor						
Tractors/Self-Propelled	0.97	Hour	\$10.00	\$9.70		\$6,208.00
Diesel Fuel						
Tractors/Self-Propelled	1.96	Gallon	\$1.65	\$3.23		\$2,069.76
Gasoline						
Pickup/General Use Equipment	1	Acre	\$2.11	\$2.11		\$1,350.00
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.57	\$0.57		\$362.25
Tractors/Self-Propelled	1	Acre	\$2.59	\$2.59		\$1,658.88
Implements	1	Acre	\$5.60	\$5.60		\$3,585.42
Interest on Credit Line			5.75%	\$4.31		\$2,759.36
Total Variable Costs				\$172.90		\$110,652.87
Planned Returns Above Variable Costs:				\$5.50		\$3,523.13
Breakeven Price to Cover Variable Costs			\$4.70	Bushel		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$0.79	\$0.79		\$502.92
Tractors/Self-Propelled	1	Acre	\$2.40	\$2.40		\$1,538.66
Implements	1	Acre	\$7.20	\$7.20		\$4,609.83
Equipment Investment						
Pickup/General Use Equipment	\$5.50	Dollars	5.50%	\$0.30		\$193.76
Tractors/Self-Propelled	\$18.73	Dollars	5.50%	\$1.03		\$659.27
Implements	\$30.81	Dollars	5.50%	\$1.69		\$1,084.59
Cash Rent - Wheat	1	Acre	\$32.00	\$32.00		\$20,480.00
Total Fixed Costs				\$45.42		\$29,069.03
Total Specified Costs				\$218.32		\$139,721.90
Returns Above Specified Costs					(\$39.92)	(\$25,545.90)
Breakeven Price to Cover Total Costs			\$6.21	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%	22.50	\$6.26	\$8.28
90%	27.00	\$5.22	\$6.90
100%	30.00	\$4.70	\$6.21
110%	33.00	\$4.27	\$5.65
125%	37.50	\$3.76	\$4.97

Developed by Stan Bevers, Professor and Extension Economist, Texas A&M AgriLife Extension Service.

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.