

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Trans Pecos Flood Irrigated Pecans, Years 10-20 - 50 Acres
Far West Extension District - 6

Crop Acres		50				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Pecans	1,364.00	Pound	\$2.75	\$3,751.00	\$187,550.00	\$187,550.00
Total Revenue				\$3,751.00	\$187,550.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
Fertilizer 11-52-0	80	Pound	\$0.29	\$23.20	\$1,160.00	
N-32 in Water	291.5	Pound	\$0.17	\$49.56	\$2,477.75	
Zinc, Chelated 10%	24	Pint	\$1.31	\$31.44	\$1,572.00	
Custom						
Hedging	0.33	Acre	\$100.00	\$33.00	\$1,650.00	
Miscellaneous						
Electricity - Pecan Cleaning	920.7	kWh	\$0.17	\$156.52	\$7,825.95	
Insecticide						
Confirm 2F	12	Ounce	\$1.54	\$18.48	\$924.00	
Lorsban 4E	4.5	Pint	\$5.03	\$22.64	\$1,131.75	
Herbicide						
Glyphosate	16.98	Pint	\$2.00	\$33.96	\$1,698.00	
Crop Oil Concentrate	16	Pint	\$1.98	\$31.68	\$1,584.00	
Other Labor						
Pecan Cleaning	4.092	Hour	\$8.50	\$34.78	\$1,739.10	
Irrigation						
Energy Cost	35.20	Mcf	\$4.00	\$140.80	\$7,040.00	
Irrigation Labor	0.78	Hour	\$11.00	\$8.56	\$428.12	
Machinery Labor						
Tractors/Self-Propelled	3.85	Hour	\$12.00	\$46.20	\$2,310.00	
Diesel Fuel						
Tractors/Self-Propelled	16.25	Gallon	\$2.10	\$34.13	\$1,706.25	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$12.82	\$12.82	\$640.80	
Tractors/Self-Propelled	0.7366076	Gallon	\$2.00	\$1.47	\$73.66	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$234.49	\$234.49	\$11,724.74	
Irrigation Equipment	1	Acre	\$16.40	\$16.40	\$819.81	
Tractors/Self-Propelled	1	Acre	\$24.02	\$24.02	\$1,201.13	
Implements	1	Acre	\$6.19	\$6.19	\$309.32	
Interest on Credit Line			6.50%	\$18.95	\$947.74	
Total Variable Costs				\$979.28	\$48,964.12	
Planned Returns Above Variable Costs:				\$2,771.72	\$138,585.88	
Breakeven Price to Cover Variable Costs			\$0.72	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$27.21	\$27.21	\$1,360.54	
Irrigation Equipment	1	Acre	\$26.93	\$26.93	\$1,346.36	
Tractors/Self-Propelled	1	Acre	\$28.64	\$28.64	\$1,432.02	
Implements	1	Acre	\$12.53	\$12.53	\$626.72	
Equipment Investment						
Pickup/General Use Equipment	\$278.00	Dollars	6.50%	\$18.07	\$903.50	
Irrigation Equipment	\$201.95	Dollars	6.50%	\$13.13	\$656.35	
Tractors/Self-Propelled	\$239.45	Dollars	6.50%	\$15.56	\$778.21	
Implements	\$61.22	Dollars	6.50%	\$3.98	\$198.96	
Allocated Establishment Cost						
Trans Pecos Irrigated Land	1	Acre	\$287.09	\$287.09	\$14,354.50	
	1	Acre	\$40.00	\$40.00	\$2,000.00	
Total Fixed Costs				\$473.14	\$23,657.16	
Total Specified Costs				\$1,452.43	\$72,621.28	
Returns Above Specified Costs				\$2,298.57	\$114,928.72	
Breakeven Price to Cover Total Costs			\$1.06	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	1023.00	\$0.96	\$1.42
90%	1227.60	\$0.80	\$1.18
100%	1364.00	\$0.72	\$1.06
110%	1500.40	\$0.65	\$0.97
125%	1705.00	\$0.57	\$0.85

Developed by Rob Hogan, Associate 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.