

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
No-Till Wheat, Dryland, Follow Cotton - 1000 Acres
West Central Extension District - 7

Crop Acres	1000				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total
Winter Wheat	25.00	Bushel	\$4.70	\$117.50	\$117,500.00
Total Revenue				\$117.50	\$117,500.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Herbicide					
2-4D Amine 4	1	Pint	\$1.81	\$1.81	\$1,812.50
MSM (Ally)	0.14	Ounce	\$6.00	\$0.84	\$840.00
Seed					
Wheat Seed	55	Pounds	\$0.28	\$15.40	\$15,400.00
Fertilizer					
N applied with drill	3.8	Pounds	\$0.53	\$2.01	\$2,014.00
Phosphate	18.2	Pounds	\$0.37	\$6.67	\$6,673.33
Nitrogen N32	35.2	Pounds	\$0.42	\$14.92	\$14,921.74
Custom					
Soil Test-Dryland	1	Each	\$0.25	\$0.25	\$250.00
Custom Harvest small grains	1	Acre	\$25.00	\$25.00	\$25,000.00
Custom Haul small grains	25	Bushels	\$0.30	\$7.50	\$7,500.00
Custom Harvest Overage small grains	5	Bushels	\$0.20	\$1.00	\$1,000.00
Miscellaneous					
Wht RP 65%, Ent, YA	1	Acre	\$3.26	\$3.26	\$3,260.00
SCO-Wheat	0	Acre	\$3.78	\$0.00	\$0.00
Machinery Labor					
Tractors/Self-Propelled	0.51	Hour	\$12.00	\$6.12	\$6,120.00
Diesel Fuel					
Tractors/Self-Propelled	2.88	Gallon	\$1.50	\$4.32	\$4,320.00
Gasoline					
Pickup/General Use Equipment	1	Acre	\$1.59	\$1.59	\$1,592.80
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.80	\$0.80	\$803.00
Tractors/Self-Propelled	1	Acre	\$6.18	\$6.18	\$6,176.13
Implements	1	Acre	\$8.61	\$8.61	\$8,613.53
Interest on Credit Line			6.50%	\$2.04	\$2,044.68
Total Variable Costs				\$108.34	\$108,341.71
Planned Returns Above Variable Costs:				\$9.16	\$9,158.29
Breakeven Price to Cover Variable Costs			\$4.33	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$1.70	\$1.70	\$1,702.80
Tractors/Self-Propelled	1	Acre	\$7.16	\$7.16	\$7,164.67
Implements	1	Acre	\$11.70	\$11.70	\$11,698.26
Equipment Investment					
Pickup/General Use Equipment	\$9.44	Dollars	6.50%	\$0.61	\$613.47
Tractors/Self-Propelled	\$55.45	Dollars	6.50%	\$3.60	\$3,604.34
Implements	\$50.04	Dollars	6.50%	\$3.25	\$3,252.77
Rent-Dryland Crop	1	Acre	\$35.00	\$35.00	\$35,000.00
Total Fixed Costs				\$63.04	\$63,036.31
Total Specified Costs				\$171.38	\$171,378.01
Returns Above Specified Costs				(\$53.88)	(\$53,878.01)
Breakeven Price to Cover Total Costs			\$6.86	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%	0.00	\$5.78	\$9.14
90%	0.00	\$4.82	\$7.62
100%	0.00	\$4.33	\$6.86
110%	0.00	\$3.94	\$6.23
125%	0.00	\$3.47	\$5.48

Developed by Bill Thompson, Associate 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.