Projections for Planning Purposes Only -- Not to be Used without Updating

2017 Estimated Costs and Returns per Acre

Continuous Wheat, Dryland, Grazed - 160 Acres

Panhandle Extension District - 1

Crop Acres	160				
REVENUE	Quantity	Units	$/Unit	Total	Enterprise Total
Wheat	20.00	Bushel	$3.95	$79.00	$12,640.00
Grazing - Wheat	73.00	Pound	$0.40	$29.20	$4,672.00
Total Revenue				$108.20	$17,312.00
VARIABLE COSTS	Quantity	Units	$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Seed - Wheat Dryland	1	Bushel	$6.00	$6.00	$960.00
Fertilizer					
Fertilizer (N) - ANH3	30	Pound	$0.25	$7.50	$1,200.00
Custom					
Fertilizer Application - ANH3	1	Acre	$15.00	$15.00	$2,400.00
Custom Harvest - Wheat	1	Acre	$25.00	$25.00	$4,000.00
Custom Haul - Wheat	20	Bushel	$0.25	$5.00	$800.00
Miscellaneous					
Crop Insurance Wheat Dryland	1	Acre	$15.00	$15.00	$2,400.00
Machinery Labor					
Tractors/Self-Propelled	0.86	Hour	$12.25	$10.54	$1,685.60
Diesel Fuel					
Tractors/Self-Propelled	2.22	Gallon	$1.81	$4.02	$642.91
Gasoline					
Pickup/General Use Equipment	1	Acre	$3.92	$3.92	$627.25
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	$2.49	$2.49	$397.80
Tractors/Self-Propelled	1	Acre	$4.18	$4.18	$668.45
Implements	1	Acre	$10.59	$10.59	$1,694.52
Interest on Credit Line			5.40%	$2.62	$419.19
Total Variable Costs				$111.85	$17,895.72
Planned Returns Above Variable Costs:				($3.65)	($583.72)
Breakeven Price to Cover Variable Costs			$4.13	Bushel	
FIXED COSTS	Quantity	Units	$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	$2.61	$2.61	$417.69
Tractors/Self-Propelled	1	Acre	$4.16	$4.16	$665.33
Implements	1	Acre	$13.74	$13.74	$2,198.42
Equipment Investment					
Pickup/General Use Equipment	$18.03	Dollars	5.65%	$1.02	$162.95
Tractors/Self-Propelled	$32.39	Dollars	5.65%	$1.83	$292.85
Implements	$58.78	Dollars	5.65%	$3.32	$531.35
Cash Rent - Wheat Dryland	1	Acre	$26.50	$26.50	$4,240.00
Total Fixed Costs				$53.18	$8,508.59
Total Specified Costs				$165.03	$26,404.31
Returns Above Specified Costs				($56.83)	($9,092.31)
Breakeven Price to Cover Total Costs			$6.79	Bushel	

Example Breakeven Prices

Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	15.00	$5.51	$9.06
90%	18.00	$4.59	$7.55
100%	20.00	$4.13	$6.79
110%	22.00	$3.76	$6.17
125%	25.00	$3.31	$5.43

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-677-5600.

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.