

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Continuous Wheat, Furrow Irrigated (NG) - 122 Acres
Panhandle Extension District - 1

Crop Acres		122		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Wheat	50.00	Bushel	\$3.95	\$197.50	\$24,095.00
Grazing - Wheat	136.00	Pound	\$0.40	\$54.40	\$6,636.80
Total Revenue				\$251.90	\$30,731.80
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Seed - Wheat	1.2	Bushel	\$23.70	\$28.44	\$3,469.68
Fertilizer					
Fertilizer (N) - ANH3	50	Pound	\$0.25	\$12.50	\$1,525.00
Fertilizer (P) - Liquid	30	Pound	\$0.47	\$14.10	\$1,720.20
Fertilizer (N) - Liquid	25	Pound	\$0.41	\$10.25	\$1,250.50
Custom					
Fertilizer Application - ANH3	1	Acre	\$15.00	\$15.00	\$1,830.00
Harvest and Haul - Wheat Irrigated	50	Bushel	\$0.60	\$30.00	\$3,660.00
Miscellaneous					
Crop Insurance Wheat Irrigated	1	Acre	\$33.00	\$33.00	\$4,026.00
Insecticide					
Insecticide and Apply Wheat	1	Acre	\$8.90	\$8.90	\$1,085.80
Irrigation					
Energy Cost	12.50	AcreInch	\$3.60	\$45.00	\$5,490.00
Irrigation Labor	2.46	Hour	\$12.45	\$30.58	\$3,730.42
Machinery Labor					
Tractors/Self-Propelled	1.05	Hour	\$12.25	\$12.86	\$1,569.23
Diesel Fuel					
Tractors/Self-Propelled	2.78	Gallon	\$1.81	\$5.03	\$613.88
Gasoline					
Pickup/General Use Equipment	1	Acre	\$3.95	\$3.95	\$482.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$49.53	\$49.53	\$6,043.12
Tractors/Self-Propelled	1	Acre	\$5.21	\$5.21	\$635.15
Implements	1	Acre	\$12.68	\$12.68	\$1,547.54
Interest on Credit Line			5.40%	\$8.98	\$1,095.76
Total Variable Costs				\$328.53	\$40,080.77
Planned Returns Above Variable Costs:				(\$76.63)	(\$9,348.97)
Breakeven Price to Cover Variable Costs			\$5.48	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment	1	Acre	\$28.25	\$28.25	\$3,446.90
Tractors/Self-Propelled	1	Acre	\$5.22	\$5.22	\$636.96
Implements	1	Acre	\$15.92	\$15.92	\$1,942.62
Equipment Investment					
Pickup/General Use Equipment	\$18.18	Dollars	5.65%	\$1.03	\$125.35
Irrigation Equipment	\$300.68	Dollars	5.65%	\$16.99	\$2,072.56
Tractors/Self-Propelled	\$40.67	Dollars	5.65%	\$2.30	\$280.36
Implements	\$68.12	Dollars	5.65%	\$3.85	\$469.52
Cash Rent - Wheat Irrigated	1	Acre	\$72.00	\$72.00	\$8,784.00
Total Fixed Costs				\$148.19	\$18,079.57
Total Specified Costs				\$476.72	\$58,160.34
Returns Above Specified Costs				(\$224.82)	(\$27,428.54)
Breakeven Price to Cover Total Costs			\$8.45	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	37.50	\$7.31	\$11.26
90%	45.00	\$6.09	\$9.38
100%	50.00	\$5.48	\$8.45
110%	55.00	\$4.98	\$7.68
125%	62.50	\$4.39	\$6.76

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.