

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2017 Estimated Costs and Returns per Acre**  
**Rotation, Sorghum-Fallow-Wheat, Minimum Till, Wheat with Grazing - 160 Acres**  
**Panhandle Extension District - 1**

Crop Acres	160					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Wheat	26.00	Bushel	\$3.95	\$102.70	\$16,432.00	
Grazing - Wheat	73.00	Pound	\$0.40	\$29.20	\$4,672.00	
<b>Total Revenue</b>				<b>\$131.90</b>	<b>\$21,104.00</b>	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
<b>Production Costs</b>						
<b>Seed</b>						
Seed - Wheat Dryland	1	Bushel	\$6.00	\$6.00	\$960.00	
<b>Fertilizer</b>						
Fertilizer (N) - Dry	30	Pound	\$0.33	\$9.90	\$1,584.00	
<b>Custom</b>						
Fertilizer Application	1	Acre	\$5.00	\$5.00	\$800.00	
Custom Harvest - Wheat	1	Acre	\$25.00	\$25.00	\$4,000.00	
Custom Haul - Wheat	26	Bushel	\$0.25	\$6.50	\$1,040.00	
<b>Machinery Labor</b>						
Tractors/Self-Propelled	0.37	Hour	\$12.25	\$4.53	\$725.20	
<b>Diesel Fuel</b>						
Tractors/Self-Propelled	0.6	Gallon	\$1.81	\$1.09	\$173.76	
<b>Gasoline</b>						
Pickup/General Use Equipment	1	Acre	\$3.92	\$3.92	\$627.25	
<b>Repairs &amp; Maintenance</b>						
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80	
Tractors/Self-Propelled	1	Acre	\$0.77	\$0.77	\$122.89	
Implements	1	Acre	\$7.75	\$7.75	\$1,240.77	
Interest on Credit Line			5.40%	\$0.75	\$119.35	
<b>Total Variable Costs</b>				<b>\$73.69</b>	<b>\$11,791.02</b>	
Planned Returns Above Variable Costs:				\$58.21	\$9,312.98	
Breakeven Price to Cover Variable Costs			\$1.71	Bushel		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
<b>Machinery Depreciation</b>						
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69	
Tractors/Self-Propelled	1	Acre	\$0.63	\$0.63	\$101.59	
Implements	1	Acre	\$9.97	\$9.97	\$1,595.27	
<b>Equipment Investment</b>						
Pickup/General Use Equipment	\$18.03	Dollars	5.65%	\$1.02	\$162.95	
Tractors/Self-Propelled	\$4.95	Dollars	5.65%	\$0.28	\$44.71	
Implements	\$42.65	Dollars	5.65%	\$2.41	\$385.57	
Cash Rent - Wheat Dryland	1	Acre	\$26.50	\$26.50	\$4,240.00	
<b>Total Fixed Costs</b>				<b>\$43.42</b>	<b>\$6,947.78</b>	
<b>Total Specified Costs</b>				<b>\$117.12</b>	<b>\$18,738.80</b>	
Returns Above Specified Costs				\$14.78	\$2,365.20	
<b>Breakeven Price to Cover Total Costs</b>			<b>\$3.38</b>	<b>Bushel</b>		

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	19.50	\$2.28	\$4.51
90%	23.40	\$1.90	\$3.76
100%	26.00	\$1.71	\$3.38
110%	28.60	\$1.56	\$3.07
125%	32.50	\$1.37	\$2.71

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.**