

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2017 Estimated Costs and Returns per Acre**  
**Dryland Wheat - 640 Acres**  
**Rolling Plains Extension District - 3**

| Crop Acres                              |          | 640           |         |            |                         |
|---|----------|---------------|---------|------------|-------------------------|
|   |          |               |         | Enterprise |                         |
| REVENUE                                 | Quantity | Units         | \$/Unit | Total      | Total                   |
| Wheat                                   | 30.00    | Bushel        | \$4.00  | \$120.00   | \$76,800.00             |
| Wheat Pasture                           | 64.00    | Pound of Gain | \$0.40  | \$25.60    | \$16,384.00             |
| Total Revenue                           |          |               |         | \$145.60   | \$93,184.00             |
|   |          |               |         | Enterprise |                         |
| VARIABLE COSTS                          | Quantity | Units         | \$/Unit | Total      | Total                   |
| <b>Production Costs</b>                 |          |               |         |            |                         |
| Herbicide                               |          |               |         |            |                         |
| Herbicide - Wheat                       | 6.4      | Ounce         | \$0.22  | \$1.43     | \$912.00                |
| Seed                                    |          |               |         |            |                         |
| Wheat Seed                              | 70       | Pound         | \$0.23  | \$15.75    | \$10,080.00             |
| Fertilizer                              |          |               |         |            |                         |
| Fertilizer (N)                          | 100      | Pound         | \$0.35  | \$35.00    | \$22,400.00             |
| Fertilizer (P)                          | 50       | Pound         | \$0.34  | \$17.00    | \$10,880.00             |
| Custom                                  |          |               |         |            |                         |
| Herbicide Application                   | 1        | Acre          | \$5.50  | \$5.50     | \$3,520.00              |
| Custom Harvest Wheat                    | 1        | Acre          | \$24.00 | \$24.00    | \$15,360.00             |
| Overage - Wheat                         | 10       | Bushel        | \$0.24  | \$2.40     | \$1,536.00              |
| Custom Haul Wheat                       | 30       | Bushel        | \$0.24  | \$7.20     | \$4,608.00              |
| Miscellaneous                           |          |               |         |            |                         |
| Insurance - Wheat                       | 1        | Acre          | \$12.00 | \$12.00    | \$7,680.00              |
| Insecticide                             |          |               |         |            |                         |
| Insecticide & Application - Wheat       | 1        | Ounce         | \$0.25  | \$0.25     | \$160.00                |
| Machinery Labor                         |          |               |         |            |                         |
| Tractors/Self-Propelled                 | 0.97     | Hour          | \$10.00 | \$9.70     | \$6,208.00              |
| Diesel Fuel                             |          |               |         |            |                         |
| Tractors/Self-Propelled                 | 1.96     | Gallon        | \$1.65  | \$3.23     | \$2,069.76              |
| Gasoline                                |          |               |         |            |                         |
| Pickup/General Use Equipment            | 1        | Acre          | \$2.11  | \$2.11     | \$1,350.00              |
| Repairs & Maintenance                   |          |               |         |            |                         |
| Pickup/General Use Equipment            | 1        | Acre          | \$0.57  | \$0.57     | \$362.25                |
| Tractors/Self-Propelled                 | 1        | Acre          | \$3.08  | \$3.08     | \$1,973.90              |
| Implements                              | 1        | Acre          | \$5.82  | \$5.82     | \$3,725.85              |
| Interest on Credit Line                 |          |               | 5.75%   | \$3.59     | \$2,295.42              |
| Total Variable Costs                    |          |               |         | \$148.63   | \$95,121.17             |
| Planned Returns Above Variable Costs:   |          |               |         |            |                         |
| Breakeven Price to Cover Variable Costs |          |               | \$4.10  | Bushel     |                         |
|   |          |               |         |            | (\$3.03) (\$1,937.17)   |
|   |          |               |         | Enterprise |                         |
| FIXED COSTS                             | Quantity | Units         | \$/Unit | Total      | Total                   |
| Machinery Depreciation                  |          |               |         |            |                         |
| Pickup/General Use Equipment            | 1        | Acre          | \$0.79  | \$0.79     | \$502.92                |
| Tractors/Self-Propelled                 | 1        | Acre          | \$2.88  | \$2.88     | \$1,844.33              |
| Implements                              | 1        | Acre          | \$7.48  | \$7.48     | \$4,790.37              |
| Equipment Investment                    |          |               |         |            |                         |
| Pickup/General Use Equipment            | \$5.50   | Dollars       | 5.50%   | \$0.30     | \$193.76                |
| Tractors/Self-Propelled                 | \$22.45  | Dollars       | 5.50%   | \$1.23     | \$790.24                |
| Implements                              | \$32.02  | Dollars       | 5.50%   | \$1.76     | \$1,127.07              |
| Cash Rent - Wheat                       | 1        | Acre          | \$32.00 | \$32.00    | \$20,480.00             |
| Total Fixed Costs                       |          |               |         | \$46.45    | \$29,728.69             |
| Total Specified Costs                   |          |               |         | \$195.08   | \$124,849.87            |
| Returns Above Specified Costs           |          |               |         |            | (\$49.48) (\$31,665.87) |
| Breakeven Price to Cover Total Costs    |          |               | \$5.65  | Bushel     |                         |

| Example Breakeven Prices |         |          |          |
|--------------------------|---------|----------|----------|
| Example                  | Example | To Cover | To Cover |
| Yield                    | Yield   | Variable | Total    |
| Percent                  | Bushel  | Costs    | Costs    |
| 75%                      | 22.50   | \$5.47   | \$7.53   |
| 90%                      | 27.00   | \$4.56   | \$6.28   |
| 100%                     | 30.00   | \$4.10   | \$5.65   |
| 110%                     | 33.00   | \$3.73   | \$5.14   |
| 125%                     | 37.50   | \$3.28   | \$4.52   |

Developed by Extension Economists, 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.**