

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2018 Estimated Costs and Returns per Acre**  
**Irrigated Wheat**  
**South Plains Extension District - 2**

| Crop Acres                              |  | 122      |          | Enterprise |            |                  |
|---|--|----------|----------|------------|------------|------------------|
| REVENUE                                 |  | Quantity | Units    | \$/Unit    | Total      | Total            |
| Wheat                                   |  | 60.00    | Bushel   | \$4.50     | \$270.00   | \$32,940.00      |
| Grazing - Wheat Irrigated               |  | 136.00   | Pound    | \$0.50     | \$68.00    | \$8,296.00       |
| Total Revenue                           |  |          |          |            | \$338.00   | \$41,236.00      |
| VARIABLE COSTS                          |  | Quantity | Units    | \$/Unit    | Total      | Enterprise Total |
| Production Costs                        |  |          |          |            |            |                  |
| Seed                                    |  |          |          |            |            |                  |
| Seed - Wheat                            |  | 1.5      | Bushel   | \$25.00    | \$37.50    | \$4,575.00       |
| Fertilizer                              |  |          |          |            |            |                  |
| Fertilizer (P) - Liquid                 |  | 56       | Pound    | \$0.57     | \$32.12    | \$3,918.35       |
| Fertilizer (N) - Liquid                 |  | 50       | Pound    | \$0.39     | \$19.53    | \$2,382.81       |
| Fertilizer (N) - NH3                    |  | 90       | Pound    | \$0.30     | \$27.44    | \$3,347.56       |
| Custom                                  |  |          |          |            |            |                  |
| Harvest and Haul - Wheat Irrigated      |  | 60       | Bushel   | \$0.50     | \$30.00    | \$3,660.00       |
| Fertilizer Application - NH3            |  | 1        | Acre     | \$3.50     | \$3.50     | \$427.00         |
| Fertilizer Application - Liquid Low     |  | 1        | Acre     | \$3.50     | \$3.50     | \$427.00         |
| Fertilizer Application - Liquid High    |  | 1        | Acre     | \$4.75     | \$4.75     | \$579.50         |
| Miscellaneous                           |  |          |          |            |            |                  |
| Crop Insurance Wheat Irrigated          |  | 1        | Acre     | \$19.50    | \$19.50    | \$2,379.00       |
| Insecticide                             |  |          |          |            |            |                  |
| Insecticide and Apply Wheat             |  | 1        | Acre     | \$11.00    | \$11.00    | \$1,342.00       |
| Irrigation                              |  |          |          |            |            |                  |
| Energy Cost                             |  | 14.00    | AcreInch | \$10.00    | \$140.00   | \$17,080.00      |
| Irrigation Labor                        |  | 1.00     | Hour     | \$12.00    | \$12.00    | \$1,464.00       |
| Machinery Labor                         |  |          |          |            |            |                  |
| Tractors/Self-Propelled                 |  | 0.47     | Hour     | \$12.00    | \$5.64     | \$688.08         |
| Other Labor                             |  | 0.53     | Hour     | \$12.00    | \$6.36     | \$775.92         |
| Diesel Fuel                             |  |          |          |            |            |                  |
| Tractors/Self-Propelled                 |  | 2.4      | Gallon   | \$2.30     | \$5.52     | \$673.44         |
| Gasoline                                |  |          |          |            |            |                  |
| Pickup/General Use Equipment            |  | 1        | Acre     | \$6.00     | \$6.00     | \$732.00         |
| Repairs & Maintenance                   |  |          |          |            |            |                  |
| Pickup/General Use Equipment            |  | 1        | Acre     | \$0.50     | \$0.50     | \$61.00          |
| Irrigation Equipment                    |  | 1        | Acre     | \$25.25    | \$25.25    | \$3,080.50       |
| Tractors/Self-Propelled                 |  | 1        | Acre     | \$6.00     | \$6.00     | \$732.00         |
| Implements                              |  | 1        | Acre     | \$3.00     | \$3.00     | \$366.00         |
| Interest on Credit Line                 |  |          |          | 6.00%      | \$13.84    | \$1,687.99       |
| Total Variable Costs                    |  |          |          |            | \$412.94   | \$50,379.15      |
| Planned Returns Above Variable Costs:   |  |          |          |            | (\$74.94)  | (\$9,143.15)     |
| Breakeven Price to Cover Variable Costs |  |          |          |            | \$5.75     | Bushel           |
| FIXED COSTS                             |  | Quantity | Units    | \$/Unit    | Total      | Enterprise Total |
| Equipment Fixed Costs                   |  |          |          |            |            |                  |
| Pickup/General Use Equipment            |  | 1        | Acre     | \$1.25     | \$1.25     | \$152.50         |
| Irrigation Equipment                    |  | 1        | Acre     | \$55.00    | \$55.00    | \$6,710.00       |
| Tractors/Self-Propelled                 |  | 1        | Acre     | \$12.00    | \$12.00    | \$1,464.00       |
| Implements                              |  | 1        | Acre     | \$10.00    | \$10.00    | \$1,220.00       |
| Management Fee, Owner/Operator Labor    |  | 1        | Acre     | \$25.00    | \$25.00    | \$3,050.00       |
| Cash Rent - Wheat Irrigated             |  | 1        | Acre     | \$100.00   | \$100.00   | \$12,200.00      |
| Whole Farm Insurance                    |  | 1        | Acre     | \$2.00     | \$2.00     | \$244.00         |
| Total Fixed Costs                       |  |          |          |            | \$205.25   | \$25,040.50      |
| Total Specified Costs                   |  |          |          |            | \$618.19   | \$75,419.65      |
| Returns Above Specified Costs           |  |          |          |            | (\$280.19) | (\$34,183.65)    |
| Breakeven Price to Cover Total Costs    |  |          |          |            | \$9.17     | Bushel           |

| Example Breakeven Prices |                      |                         |                      |
|--------------------------|----------------------|-------------------------|----------------------|
| Example Yield Percent    | Example Yield Bushel | To Cover Variable Costs | To Cover Total Costs |
| 75%                      | 45.00                | \$7.67                  | \$12.23              |
| 90%                      | 54.00                | \$6.39                  | \$10.19              |
| 100%                     | 60.00                | \$5.75                  | \$9.17               |
| 110%                     | 66.00                | \$5.23                  | \$8.34               |
| 125%                     | 75.00                | \$4.60                  | \$7.34               |

Developed by Jackie Smith, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-746-6101.

**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.**