

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2019 Estimated Costs and Returns per Acre
Dryland Wheat
South Plains Extension District - 2

Crop Acres		160			
				Total	Enterprise Total
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Wheat	18.00	Bushel	\$4.50	\$81.00	\$12,960.00
Grazing - Wheat	68.00	Pound	\$0.50	\$34.00	\$5,440.00
Total Revenue				\$115.00	\$18,400.00
VARIABLE COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Seed - Wheat	1	Bushel	\$25.00	\$25.00	\$4,000.00
Fertilizer					
Fertilizer (N) - Liquid	30	Pound	\$0.46	\$13.83	\$2,212.50
Custom					
Custom Harvest - Wheat	1	Acre	\$14.00	\$14.00	\$2,240.00
Custom Haul - Wheat	18	Bushel	\$0.14	\$2.52	\$403.20
Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75	\$760.00
Miscellaneous					
Crop Insurance Wheat Dryland	1	Acre	\$19.00	\$19.00	\$3,040.00
Herbicide					
Herbicide and Apply Wheat Dryland	1	Acre	\$16.75	\$16.75	\$2,680.00
Insecticide					
Insecticide and Apply Wheat Dryland	1	Acre	\$5.50	\$5.50	\$880.00
Machinery Labor					
Tractors/Self-Propelled	0.43	Hour	\$12.00	\$5.16	\$825.60
Other Labor	0.47	Hour	\$12.00	\$5.64	\$902.40
Diesel Fuel					
Tractors/Self-Propelled	2.2	Gallon	\$2.40	\$5.28	\$844.80
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.00	\$4.00	\$640.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50	\$80.00
Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00	\$960.00
Implements	1	Acre	\$3.00	\$3.00	\$480.00
Interest on Credit Line			6.00%	\$5.99	\$958.46
Total Variable Costs				\$136.92	\$21,906.96
Planned Returns Above Variable Costs:				(\$21.92)	(\$3,506.96)
Breakeven Price to Cover Variable Costs			\$5.72	Bushel	
FIXED COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Equipment Fixed Costs					
Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25	\$200.00
Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00	\$1,920.00
Implements	1	Acre	\$10.00	\$10.00	\$1,600.00
Management Fee, Owner/Operator Labor	1	Acre	\$25.00	\$25.00	\$4,000.00
Cash Rent - Wheat Dryland	1	Acre	\$50.00	\$50.00	\$8,000.00
Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$320.00
Total Fixed Costs				\$100.25	\$16,040.00
Total Specified Costs				\$237.17	\$37,946.96
Returns Above Specified Costs				(\$122.17)	(\$19,546.96)
Breakeven Price to Cover Total Costs			\$11.29	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	13.50	\$7.62	\$15.05
90%	16.20	\$6.35	\$12.54
100%	18.00	\$5.72	\$11.29
110%	19.80	\$5.20	\$10.26
125%	22.50	\$4.57	\$9.03

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.