

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

Crop Acres		122						
REVENUE				Quantity	Units	\$/Unit	Total	Enterprise 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	\$0.71		\$39.94	\$4,872.82	
Fertilizer (N) - Liquid		50	Pound	\$0.46		\$23.05	\$2,811.72	
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	\$2.40		\$5.76	\$702.72	
Gasoline								
Pickup/General Use Equipment		1	Acre	\$4.00		\$4.00	\$488.00	
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%		\$14.27	\$1,741.35	
Total Variable Costs						\$422.96	\$51,601.18	
Planned Returns Above Variable Costs:						(\$84.96)	(\$10,365.18)	
Breakeven Price to Cover Variable Costs						\$5.92	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						\$628.21	\$76,641.68	
Returns Above Specified Costs						(\$290.21)	(\$35,405.68)	
Breakeven Price to Cover Total Costs						\$9.34	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	45.00	\$7.89	\$12.45
90%	54.00	\$6.57	\$10.37
100%	60.00	\$5.92	\$9.34
110%	66.00	\$5.38	\$8.49
125%	75.00	\$4.73	\$7.47

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.