

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2020 Estimated Costs and Returns per Acre**  
**Rotation, Sorghum-Fallow-Wheat, Minimum Till, Wheat with Grazing**  
**Panhandle Extension District - 1**

Crop Acres		160			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Wheat	26.00	Bushel	\$4.62	\$120.12	\$19,219.20
Grazing - Wheat	73.00	Pound	\$0.45	\$32.85	\$5,256.00
<b>Total Revenue</b>				<b>\$152.97</b>	<b>\$24,475.20</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Seed					
Seed - Wheat Dryland	1	Bushel	\$11.48	\$11.48	\$1,836.48
Fertilizer					
Fertilizer (N) - Dry	30	Pound	\$0.39	\$11.69	\$1,869.60
Custom					
Fertilizer Application	1	Acre	\$5.35	\$5.35	\$856.07
Custom Harvest - Wheat	1	Acre	\$26.76	\$26.76	\$4,282.05
Custom Haul - Wheat	26	Bushel	\$0.27	\$7.06	\$1,130.29
Machinery Labor					
Tractors/Self-Propelled	0.18	Hour	\$13.43	\$2.42	\$386.78
Other Labor	0.18	Hour	\$13.43	\$2.42	\$386.78
Diesel Fuel					
Tractors/Self-Propelled	0.6	Gallon	\$2.33	\$1.40	\$223.68
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.77	\$4.77	\$763.75
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80
Tractors/Self-Propelled	1	Acre	\$0.74	\$0.74	\$119.05
Implements	1	Acre	\$8.55	\$8.55	\$1,367.86
Interest on Credit Line			6.25%	\$1.38	\$221.43
<b>Total Variable Costs</b>				<b>\$86.51</b>	<b>\$13,841.63</b>
Planned Returns Above Variable Costs:				\$66.46	\$10,633.57
Breakeven Price to Cover Variable Costs			\$2.06	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>					
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled	1	Acre	\$0.62	\$0.62	\$98.41
Implements	1	Acre	\$10.99	\$10.99	\$1,758.68
<b>Equipment Investment</b>					
Pickup/General Use Equipment	\$18.03	Dollars	6.25%	\$1.13	\$180.25
Tractors/Self-Propelled	\$4.79	Dollars	6.25%	\$0.30	\$47.92
Implements	\$47.02	Dollars	6.25%	\$2.94	\$470.20
Cash Rent - Wheat Dryland	1	Acre	\$30.00	\$30.00	\$4,800.00
<b>Total Fixed Costs</b>				<b>\$48.58</b>	<b>\$7,773.16</b>
<b>Total Specified Costs</b>				<b>\$135.09</b>	<b>\$21,614.79</b>
Returns Above Specified Costs				\$17.88	\$2,860.41
<b>Breakeven Price to Cover Total Costs</b>			<b>\$3.93</b>	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	19.50	\$2.75	\$5.24
90%	23.40	\$2.29	\$4.37
100%	26.00	\$2.06	\$3.93
110%	28.60	\$1.88	\$3.57
125%	32.50	\$1.65	\$3.15

Developed by Justin Benavidez, Assistant Professor, 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.**