

Projections for Planning Purposes Only -- Not to be Used without Updating
2022 Estimated Costs and Returns per Acre
Dryland Bermudagrass Hay
West Central Extension District - 7

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Hay, 1200# BRB	3.33	Ton	\$195.00	\$649.35	\$64,935.00	\$64,935.00
Total Revenue				\$649.35	\$64,935.00	\$64,935.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Herbicide						
2-4D Amine 4	4	Pint	\$1.61	\$6.45	\$645.00	\$645.00
Fertilizer						
Nitrogen Dry-Urea	51	Pounds	\$0.41	\$20.91	\$2,091.00	\$2,091.00
Phos (11-52-0 DRY MAT)	12	Pounds	\$0.66	\$7.92	\$792.00	\$792.00
Potassium	27	Pounds	\$0.30	\$8.10	\$810.00	\$810.00
Nitrogen N32-liq	64	Pounds	\$0.69	\$44.16	\$4,416.00	\$4,416.00
Custom						
Soil Test-Dryland	1	Each	\$0.25	\$0.25	\$25.00	\$25.00
Swath, Rake and Bale	3.3	Bale	\$29.58	\$97.61	\$9,761.40	\$9,761.40
Miscellaneous						
Rainfall Insurance	1	Acre	\$23.26	\$23.26	\$2,326.00	\$2,326.00
Insecticide						
Dimilin 2L	1.5	Ounce	\$2.08	\$3.12	\$311.72	\$311.72
Machinery Labor						
Tractors/Self-Propelled	0.2	Hour	\$16.12	\$3.22	\$322.40	\$322.40
Diesel Fuel						
Tractors/Self-Propelled	0.75	Gallon	\$2.67	\$2.00	\$200.25	\$200.25
Gasoline						
Pickup/General Use Equipment	1	Acre	\$2.50	\$2.50	\$250.00	\$250.00
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.75	\$0.75	\$75.25	\$75.25
Tractors/Self-Propelled	1	Acre	\$1.38	\$1.38	\$138.33	\$138.33
Implements	1	Acre	\$0.04	\$0.04	\$3.83	\$3.83
Interest on Credit Line			6.30%	\$3.60	\$360.37	\$360.37
Total Variable Costs				\$225.29	\$22,528.55	\$22,528.55
Planned Returns Above Variable Costs:				\$424.06	\$42,406.45	\$42,406.45
Breakeven Price to Cover Variable Costs			\$67.65	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$1.58	\$1.58	\$157.50	\$157.50
Tractors/Self-Propelled	1	Acre	\$2.60	\$2.60	\$260.17	\$260.17
Implements	1	Acre	\$0.03	\$0.03	\$2.95	\$2.95
Equipment Investment						
Pickup/General Use Equipment	\$9.63	Dollars	6.30%	\$0.61	\$60.64	\$60.64
Tractors/Self-Propelled	\$19.63	Dollars	6.30%	\$1.24	\$123.65	\$123.65
Implements	\$0.31	Dollars	6.30%	\$0.02	\$1.95	\$1.95
Allocated Establishment Cost	1	Acre	\$56.64	\$56.64	\$5,663.60	\$5,663.60
Rent-Dryland Crop	1	Acre	\$35.00	\$35.00	\$3,500.00	\$3,500.00
Total Fixed Costs				\$97.70	\$9,770.45	\$9,770.45
Total Specified Costs				\$322.99	\$32,299.00	\$32,299.00
Returns Above Specified Costs				\$326.36	\$32,636.00	\$32,636.00
Breakeven Price to Cover Total Costs			\$96.99	Ton		

Example Breakeven Prices			
Example Yield Percen	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.50	\$90.20	\$129.33
90%	3.00	\$75.17	\$107.77
100%	3.33	\$67.65	\$96.99
110%	3.66	\$61.50	\$88.18
125%	4.16	\$54.12	\$77.60

Developed by Bill Thompson, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.