

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2023 Estimated Costs and Returns per Acre**  
**Dryland Bermudagrass Establishment**  
**West Central Extension District - 7**

Crop Acres		100				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Grazing		50.00	Pound	\$0.60	\$30.00	\$3,000.00
<b>Total Revenue</b>					<b>\$30.00</b>	<b>\$3,000.00</b>
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>						
Herbicide						
	Herbicide-Banvell/24D	1	Pint	\$2.49	\$2.49	\$248.75
Seed						
	Sprigs and Sprigging	1	Acre	\$125.00	\$125.00	\$12,500.00
Fertilizer						
	Phos (11-52-0 DRY MAT)	75	Pounds	\$1.29	\$96.75	\$9,675.00
	Nitrogen N32-liq	40	Pounds	\$2.69	\$107.60	\$10,760.00
Custom						
	Soil Test-Dryland	1	Each	\$0.25	\$0.25	\$25.00
Miscellaneous						
	Rainfall Insurance	1	Acre	\$23.26	\$23.26	\$2,326.00
Machinery Labor						
	Tractors/Self-Propelled	0.47	Hour	\$17.21	\$8.09	\$808.87
	Other Labor	0.12	Hour	\$17.21	\$2.07	\$206.52
Diesel Fuel						
	Tractors/Self-Propelled	3.1	Gallon	\$2.24	\$6.94	\$694.40
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$3.72	\$3.72	\$371.54
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$1.83	\$1.83	\$182.50
	Tractors/Self-Propelled	1	Acre	\$7.55	\$7.55	\$754.94
	Implements	1	Acre	\$5.34	\$5.34	\$533.76
	Interest on Credit Line			8.00%	\$11.45	\$1,145.38
<b>Total Variable Costs</b>					<b>\$402.33</b>	<b>\$40,232.66</b>
Planned Returns Above Variable Costs:					<b>(\$372.33)</b>	<b>(\$37,232.66)</b>
Breakeven Price to Cover Variable Costs				\$8.05	Pound	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Pickup/General Use Equipment	1	Acre	\$3.87	\$3.87	\$387.00
	Tractors/Self-Propelled	1	Acre	\$7.72	\$7.72	\$772.16
	Implements	1	Acre	\$8.20	\$8.20	\$819.96
Equipment Investment						
	Pickup/General Use Equipment	\$21.45	Dollars	8.00%	\$1.72	\$171.60
	Tractors/Self-Propelled	\$59.94	Dollars	8.00%	\$4.80	\$479.52
	Implements	\$35.26	Dollars	8.00%	\$2.82	\$282.08
	Rent-Dryland Crop	1	Acre	\$35.00	\$35.00	\$3,500.00
<b>Total Fixed Costs</b>					<b>\$64.12</b>	<b>\$6,412.33</b>
<b>Total Specified Costs</b>					<b>\$466.45</b>	<b>\$46,644.98</b>
Returns Above Specified Costs					<b>(\$436.45)</b>	<b>(\$43,644.98)</b>
Breakeven Price to Cover Total Costs				\$9.33	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	37.50	\$10.73	\$12.44
90%	45.00	\$8.94	\$10.37
100%	50.00	\$8.05	\$9.33
110%	55.00	\$7.32	\$8.48
125%	62.50	\$6.44	\$7.46

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.**